public accounts 1985–86

volume 1 — financial statements

Manitoba
Finance

for the year ended March 31, 1986

TO THE HONOURABLE PEARL McGONIGAL
Lieutenant-Governor of the Province of Manitoba.

May It Please Your Honour:

The undersigned has the honour to present the Public Accounts of the Province of Manitoba for the year ended 31st March, 1986.

HONOURABLE EUGENE KOSTYRA
Minister of Finance

Office of the Minister of Finance,
December 8, 1986.

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INTRODUCTION TO THE PUBLIC ACCOUNTS OF MANITOBA

The Public Accounts of the Province of Manitoba are prepared by statutory requirement, in accordance with the Financial Administration Act, which is Chapter F55 of the Continuing Consolidation of the Statutes of Manitoba. The Public Accounts for the fiscal year ended March 31, 1986 consists of two volumes:

Volume 1 contains the financial statements of the Province and schedules of supporting information.

Volume 2 is a supplementary volume which contains further details of the expenditures by standard expenditure object codes. It also provides details of the salaries and wages paid to employees as well as payments to corporations, firms, individuals, other Governments and Government Agencies.

CONTENTS OF VOLUME 1 — FINANCIAL STATEMENTS

a) **Section 1 — Summary Financial Statements**

This section provides a summary of the government's operations and financial requirements for the fiscal year ended March 31, 1986 and its financial position at the year-end.

b) **Section 2 — Details of Operating Fund Assets and Liabilities**

The schedules to the financial statements report in greater detail the content of the Statement of Operating Fund Assets and Liabilities.

c) **Section 3 — Borrowings, Guaranteed and Indirect Liabilities, Financial Commitments and Contingent Liabilities**

These statements provide details of the direct and guaranteed debt obligations at the fiscal year-end and the sinking funds that are maintained for repayment of this debt.

d) **Section 4 — Detailed Revenue and Expenditure Statements**

These statements provide detailed information regarding the revenue and expenditure of the fiscal year. This section also includes information that is provided in accordance with statutory requirement.

e) **Section 5 — Trust Fund Statements**

Financial statements prepared for the Trust Fund report the activities in the various categories of trust money administered by the Province.

f) **Section 6 — Other Funds**

Statements of certain special purpose accounts are provided in this section.

CONTENTS OF VOLUME 2 — SUPPLEMENTARY INFORMATION

The contents of this volume are described in the preface to volume 2.

REPORT OF THE PROVINCIAL AUDITOR ON THE CONSOLIDATED FUND FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE PROVINCE OF MANITOBA

I report that the Consolidated Fund financial statements included in the Public Accounts of Manitoba have been examined under my direction for the fiscal year ended March 31, 1986. The examination was made in accordance with generally accepted auditing standards and included such tests and other procedures as were considered necessary in the circumstances.

The statement of revenue and expenditure for the fiscal year ended March 31, 1986 reflects capital expenditures in the amount of $277 million (1985 — $292 million) as a reduction to the excess of expenditure over revenue. Capital expenditures are not differentiated from other expenditures in the Government's accounting policies (accounting policy item III,2) and therefore should not be presented in a special manner in the statement of revenue and expenditure.

The statement of revenue and expenditure does not reflect the increase in the amounts considered non-recoverable in the determination of the excess of expenditure over revenue. The financial statements present this increase on a basis consistent with the Government's accounting policies, however, this presentation results in the fragmentation of operating results. The effect of the presentation adopted by the Government in preparing its financial statements for the fiscal year ended March 31, 1986 is an understatement of the excess of expenditure over revenue by $69.9 million (1985 — $42 million). Appropriate presentation would be to include: the increase in the valuation allowance attributable to 1986 operations of $16.9 million, the write-down of the Manitoba Development Corporation shares of $50 million and the write-off of the loan to the Canadian Co-operative Implements Ltd. of $3 million as expenditure prior to the determination of the excess of expenditure over revenue in the statement of revenue and expenditure.

The statement of revenue and expenditure includes as revenue a repayment of $5.3 million, arising from a change in funding of the Manitoba Agricultural Credit Corporation's operations. This amount represents the balance of the Corporation's allowance for doubtful loans as at March 31, 1985, which had been funded in prior years from an appropriation. Application of this amount as revenue is inconsistent with the Province's practices for prior year adjustments which are applied directly to the excess of liabilities over financial assets. The effect of the accounting basis adopted is to understate the excess of expenditure over revenue by $5.3 million.

The Government's valuation allowance accounting policy (application item II — Expenditures) has not been followed in regard to the write-off of its investment of $.5 million in the Northlands Bank. The write-off has not been disclosed as required by the accounting policy but has been included on the statement of revenue and expenditure before the excess of expenditure over revenue. Although I agree, as commented on in the third paragraph, that the charge to an appropriation is appropriate, this is not in accordance with the Government's accounting policy.

The cumulative effect of the matters raised in the preceding four paragraphs is an understatement by $75.2 million (1985 — $42.0 million) of the reported excess of expenditure over revenue of $528 million (1985 — $483 million). These matters do not affect the stated excess of liabilities over financial assets.

In my opinion, except for the matters noted in the five preceding paragraphs, these financial statements present fairly the financial position of the Government of the Province of Manitoba as at March 31, 1986 and the results of its operations and the changes in its financial position for the year then ended in accordance with the Government's basis of accounting applied, except for the changes in the accounting policies (explained in note 10 to the financial statements) and the application of the accounting policies pertaining to the valuation allowance (set out in the second last preceding paragraph), on a basis consistent with that of the preceding year.

Fred H. Jackson

Winnipeg, Manitoba,
November 27, 1986.

F. H. Jackson, C.A.,
Provincial Auditor.

SUMMARY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 1986

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GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF RESPONSIBILITY

Responsibility for the integrity and objectivity of the financial statements rests with the Government. The financial statements are prepared under the direction of the Minister of Finance in accordance with the stated accounting policies of the Government. These summary financial statements include a statement of financial position, a statement of revenue and expenditure, a statement of changes in financial position, accounting policies and notes and schedules integral to the statements. Together, they present fairly, in all material respects the Government's financial condition at the fiscal period-end and results of operations for the year then ended. More detailed information regarding the Government's financial position and operating results can be found in other sections of this volume and in volume 2 of the Public Accounts.

On behalf of the Government

Eugene Kosty

HONOURABLE EUGENE KOSTYRA
Minister of Finance

December 8, 1986

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF FINANCIAL POSITION – OPERATING FUND

AS AT MARCH 31, 1986
(with comparative figures for March 31, 1985)

Schedule No		($ millions) 1986	1985
	FINANCIAL ASSETS		
	Cash and Equivalents	$ 552	$ 636
1.	Revenue Receivable	138	93
2.	Loans and Advances		
	Crown Corporations, Agencies, Boards and Commissions	2,523	2,040
	Other Governments	11	12
	Others	86	66
3.	Long–Term Investments	286	295
	Valuation Allowance	(193)	(173)
	Total Financial Assets	$ 3,403	$ 2,969
	LIABILITIES		
	Amount owing to the Trust Fund	$ 488	$ 526
4.	Accounts Payable, Accrued Charges and Funds Subject to Call	294	235
5.	Borrowings (Note 1):		
	Bonds and Debentures	3,912	3,355
	Canada Pension Plan	1,172	1,139
	Government of Canada	155	158
	Treasury Bills	325	130
	Provision for Unrealized Foreign Currency Losses	209	–
	Total Liabilities	$ 6,555	$ 5,543
	EXCESS OF LIABILITIES OVER FINANCIAL ASSETS AND OTHER OBLIGATIONS HELD BY THE PROVINCE CONSIDERED TO BE SIMILAR IN NATURE		
	Serial Debentures of School Divisions and Districts	$ 176	$ 189
	Securities Received from Sale of Land and Buildings (Notes 2 and 3)	182	129
	Excess of Liabilities over Financial Assets	2,794	2,256
	Total Excess of Liabilities Over Financial Assets and Similar Items	$ 3,152	$ 2,574

Information concerning the Government's Guaranteed and Indirect Liabilities, Financial Commitments and Contingent Liabilites can be found in the Notes and Schedules To The Financial Statements.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF REVENUE AND EXPENDITURE

For the Year Ended March 31, 1986
(with comparative figures for the year ended March 31, 1985)

($ millions)

	1986		1985
	Budget Estimate	**Actual**	**Actual**
REVENUE			
Manitoba Collections			
Retail Sales Tax	$ 417	$ 437	$ 391
Fuel Taxes	172	164	147
Liquor Control Commission	141	139	136
Levy for Health and Education	116	119	111
Other Taxes	215	208	180
Fees and Other Revenue	161	167	145
Income Taxes			
Corporation Income Tax	130	127	130
Individual Income Tax	652	650	587
Federal Transfers			
Equalization	480	470	478
Health and Higher Education	427	410	405
Shared-Cost and Other	212	226	214
TOTAL REVENUE	$ 3,123	$ 3,117	$ 2,924
EXPENDITURE (Schedule 6)			
Health and Community Services	$ 1,529	$ 1,555	$ 1,447
Education	663	663	654
Economic and Resource Development	543	530	516
Manitoba Tax Credit Plans	199	199	192
Direct Local Government Assistance	120	115	111
Public Debt	263	273	224
Hydro Rates Stabilization	19	34	18
Consumer Services, Public Protection and Other Government Services	283	276	245
TOTAL EXPENDITURE	$ 3,619	$ 3,645	$ 3,407
EXCESS OF EXPENDITURE OVER REVENUE	$ 496	$ 528	$ 483
LESS: GROSS CAPITAL EXPENDITURE	303	277	292
NET OPERATING DEFICIT	$ 193	$ 251	$ 191
AMOUNTS TAKEN TO EXCESS OF LIABILITIES OVER FINANCIAL ASSETS ACCOUNT:			
EXCESS OF EXPENDITURE OVER REVENUE (AS ABOVE)		$ 528	$ 483
SALE OF LAND AND BUILDINGS (NOTES 2 AND 3)		(252)	(324)
WRITE-DOWN OF COMMON SHARES OF MANITOBA DEVELOPMENT CORPORATION (NOTE 8)		50	-
WRITE-OFF OF LOAN TO CANADIAN CO-OPERATIVE IMPLEMENTS LTD (NOTE 9)		3	-
PRIOR YEAR ADJUSTMENTS FOR ACCOUNTING POLICY CHANGES (NOTE 10)		189	-
INCREASE IN VALUATION ALLOWANCE		20	42
TOTAL INCREASE IN EXCESS OF LIABILITIES OVER FINANCIAL ASSETS		$ 538	$ 201

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF CHANGES IN FINANCIAL POSITION – OPERATING FUND

For the Year Ended March 31, 1986
(with comparative figures for the year ended March 31, 1985)

	($ millions) 1986 Budget Estimate	1986 Actual	1985 Actual
Beginning Cash and Equivalents		$ 636	$ 565
Operating Transactions:			
Excess of Expenditure Over Revenue	$ (496)	$ (528)	$ (483)
Non-Cash Items in Revenue and Expenditure:			
Increase in Revenue Receivable	–	(2)	(4)
Increase in Accounts Payable, Accrued Charges and Funds Subject to Call	–	54	14
Provision for Foreign Currency Losses	–	16	–
Cash and Equivalents Required For Operations	$ (496)	$ (460)	$ (473)
Investing Transactions (Note 12):			
Acquired/Made	$ (906)	$ (839)	$ (225)
Redeemed/Realized	117	306	158
Cash and Equivalents Required For Investing	$ (789)	$ (533)	$ (67)
Financing Transactions (Note 12):			
Debt Issued			
Foreign	N.E.	$ 763	$ 413
Domestic	N.E.	526	225
	$ 1,250	$ 1,289	$ 638
Debt Redeemed			
Foreign	(85)	(258)	(111)
Domestic	(9)	(9)	(22)
Payment from Provision for Foreign Currency Losses	(63)	(62)	–
Increase in Sinking Funds	(147)	(212)	(144)
	$ 946	$ 748	$ 361
Sale of Land and Buildings To Manitoba Properties Inc.	200	199	195
Change in Trust Funds	–	(38)	55
Cash and Equivalents Obtained From Financing	$ 1,146	$ 909	$ 611
Change in Cash and Equivalents During Period	$ (139)	$ (84)	$ 71
Ending Cash and Equivalents		$ 552	$ 636
Represented by:			
Cash in Bank (Overdraft)		$ (3)	$ (42)
Term Bank Deposits		210	336
Government and Crown Corporation Bills and Notes		598	555
		$ 805	$ 849
Less:			
Uninvested Cash Belonging to Provincial Sinking Fund		253	213
		$ 552	$ 636

N.E. – Not Estimated

GOVERNMENT OF THE PROVINCE OF MANITOBA

NOTES AND SCHEDULES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1986

1. BORROWINGS

All borrowings are expressed in Canadian dollars. In the case of foreign borrowings, the par value is converted at the exchange rate in effect at the date of issue or the actual conversion rate of the proceeds. When foreign debt is revalued using the exchange rates in effect at March 31, 1986, total borrowings is increased to $7,209 million ($5,642 million for 1985) before deduction of Sinking Funds.

The weighted average rate of interest based on actual interest payments made during 1985-86 was 11.12% (10.87% for 1984-85).

2. SECURITIES RECEIVED FROM SALE OF LAND AND BUILDINGS

During 1984-85 and 1985-86 the Province sold land and buildings with an aggregate value of $917 million to Manitoba Properties Inc. (MPI). The sale was arranged through two intermediary Crown Corporations, Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. and resulted in the Province receiving common shares of these two corporations along with promissory notes of MPI and cash as the purchase consideration. The Province has allocated $341 million of the sales proceeds to a special valuation account to reflect the potential diminution of the common shares that could occur as dividends are paid to the preferred shareholders of MPI. The status of the securities and valuation account at March 31st was as follows:

	($ Millions) 1986	1985
Shares of Manitoba Properties Leasing Inc.	$ 149	$ 100
Shares of Manitoba Properties Management Inc.	149	100
Promissory Notes of Manitoba Properties Inc.	182	129
	$ 480	$ 329
Less: Special Valuation Account	298	200
	$ 182	$ 129

The value of the common shares and the valuation account have each been reduced by $43 million to March 31, 1986 to reflect the dividends paid by MPI as of its most recent fiscal year-end, January 31, 1986.

If the operations of MPI were consolidated in the financial statements of the Province, these securities would not be reflected as assets because they do not represent claims against other parties. Information regarding the effects of consolidation is provided in the following note.

3. EFFECT OF CONSOLIDATION OF MANITOBA PROPERTIES INC.

The sale and subsequent lease-back of land and buildings to Manitoba Properties Inc. has resulted in ownership by the Province of securities that, if the accounts were consolidated, would no longer appear in the Financial Statements because these are not amounts owing by third parties. Consolidation would have the following effect on the Statement of Financial Position at March 31, 1986 and on the Statement of Revenue and Expenditure for the year ended March 31, 1986:

a) As indicated, Securities Received From Sale of Land and Buildings in the amount of $182 million would be eliminated.

b) Promissory notes of $5 million from Manitoba Properties Inc., shown under Loans and Advances, would be eliminated. These funds were advanced to cover administrative costs of Manitoba Properties Inc.

c) Liabilities would be increased by $399 million to reflect the outstanding preferred shares of Manitoba Properties Inc. (with an equivalent decrease in guaranteed and indirect liabilities).

d) The aggregate of these amounts, totalling $586 million, would be an increase to the Excess of Liabilities Over Financial Assets account. This amount exceeds the total of amounts that were originally credited to the excess account at the time of sale by $10 million. This difference results primarily from share issuance and administrative costs incurred by Manitoba Properties Inc.

e) The net effect on the expenditure accounts of the Government would be an increase in public debt costs of $46 million and a decrease in expenditure for other government services of $43 million. (The amounts for March 31, 1985 are $31 million and $24 million respectively).

4. GUARANTEED AND INDIRECT LIABILITIES

Debt issued by Crown Corporations, Agencies, Boards and Commissions which is guaranteed by the Government as at March 31st:

NOTES AND SCHEDULES TO THE FINANCIAL STATEMENTS — Continued

	($ Millions) 1986	1985
Self-supporting Debt	$ 1,531	$ 1,658
Debt of Crown Corporations Whose Main Source of Income is the Consolidated Fund	399	278
Debt Serviced in Whole or in Part from the Consolidated Fund	13	14
	$ 1,943	$ 1,950
LESS: Applicable Sinking and Other Related Trust Funds	262	341
	$ 1,681	$ 1,609

5. FINANCIAL COMMITMENTS

The Government has entered into long-term financial arrangments wherein indebtedness has been issued that is not guaranteed by the Government but the funds required for the payment of principal and interest will be either fully or partially provided from appropriations of the Consolidated Fund. As well, the Government has made future commitments against appropriations under long-term contracts which cover the acquisition and/or rental of physical assets. These financial commitments as at March 31st are as follows:

	($ Millions) 1986	1985
LONG-TERM FINANCIAL ARRANGEMENTS:		
Hospitals and personal care homes	$ 298	$ 301
Public Schools	213	219
Manitoba Housing and Renewal Corporation	232	234
Manitoba Water Services Board	3	3
Brandon University	1	1
	$ 747	$ 758
FUTURE COMMITMENTS:		
Acquisition of Physical Assets	102	99
Rental of Physical Assets	96	58
	$ 945	$ 915

In addition to the approved outstanding debt for Hospitals and Personal Care Homes, lines of credit up to $126,505,000 ($55,675,000 as at March 31, 1985) have been approved to finance capital projects currently in process. On completion of these projects, the borrowings will be converted to long-term debt.

6. CONTINGENT LIABILITIES

The Government has provided guarantees for the following and accordingly has a contingent liability in the event of default:

	Maximum Guarantee	Amount Outstanding March 31, 1986 ($ Millions)	Amount Outstanding March 31, 1985
Mortgages	$ 1	$ 1	$ 1
Performance Bonds	53	53	53
Promissory Notes	175	126	152
Bank Loans and Lines of Credit	30	18	16
	$ 259	$ 198	$ 222

This does not include Guarantees that may be provided by Crown Corporations, Agencies, Boards and Commissions under their own separate authority.

7. PENSION LIABILITY

The Province is required by legislation to pay 50% of the pension disbursements made to retired Provincial employees (with the exception of the share payable by Government Agencies for their employees) and to retired teachers. Such payments are charged to departmental appropriations as incurred and no provision is made to fund current or past service obligations of the Province to the Civil Service Superannuation Fund or to the Teachers Retirement Allowances Fund. The reserves which are presently held in these Funds represent only the employees' obligation towards the total pension liability.

An acturial valuation and report of the Government's liability to The Civil Service Superannuation Fund was determined as at December 31, 1983. The report also provided a formula to update the liability on an annual basis. In accordance with the formula adopted by the actuary, the Government's actuarial liability to The Civil Service Superannuation Fund has been calculated at approximately $285 million as at December 31, 1985 (approximately $250 million as at December 31, 1984). The liability of the Province to The Teachers' Retirement Allowances Fund has not been established by an actuarial

NOTES AND SCHEDULES TO THE FINANCIAL STATEMENTS — Continued

valuation. The reserve which is held in the Teachers' Retirement Allowances Fund, representing the employees' obligation towards the total pension liability, amounted to $413 million as December 31, 1985 ($359 million as at December 31, 1984). The Province's liability should approximate these amounts.

8. WRITE-DOWN OF COMMON SHARES OF MANITOBA DEVELOPMENT CORPORATION

The Manitoba Deveopment Corporation (MDC), whose capital stock is wholly owned by the Province, has disposed of it's long term investment in Flyer Industries Limited. Ownership of Flyer Industries has been transferred to BV Carrosseriefabriek Den Oudsten En Zonen of Woerden, Holland effective July 15, 1986.

The accumulated operating losses of Flyer Industries Limited have been recognized annually in the accounts of MDC by means of an allowance for potential losses. The resulting decrease in the value of the MDC capital stock owned by the Province has been provided for by the Province through a valuation allowance placed against these shares ($43.5 million at March 31, 1985). The sale to Den Oudsten has resulted in the recognition of the permanent reduction in the value of MDC capital stock, which has been written down to one dollar. The Province faces additional costs as the result of the divestiture of Flyer Industries that will be borne in the 1986-87 fiscal year and subsequent fiscal years as costs are incurred in accordance with the share purchase agreement between MDC and Den Oudsten. These costs are estimated at $40 million to cover the payment of bank loan guarantees, technology acquisition and training costs, warranties and completion of contracts in process, after allowing for recoveries from the disposal of Flyer assets.

9. WRITE-OFF OF LOAN TO CANADIAN CO-OPERATIVE IMPLEMENTS LTD.

Loans in the aggregate amount of $2,975,000 have been deemed uncollectible by the Province and have been written off pursuant to authority provided under the Financial Administration Act. The Province has also guaranteed a bank line of credit for the company, in the amount of $2,800,000 as at March 31, 1986, for which the Province has a contingent liability. This amount is reported in the contingent liabilities shown in Note 6 above.

10. PRIOR YEAR ADJUSTMENTS RESULTING FROM CHANGES IN ACCOUNTING POLICIES

Accounting policy changes were made during the fiscal year in order that Public Debt costs would be recorded on an accrual basis rather than the modified cash basis previously followed. These changes resulted in a net increase to the Excess of Liabilities Over Financial Assets Account, as summarized below:

	($ Millions)
Interest payable on trust funds	4
Provision for unrealized foreign currency losses	256
Debt issue costs	(28)
Interest earned from advances and investments	(24)
Sinking Fund investment (discount) premium	(19)
	$ 189

The comparative data presented for the prior year has not been restated to reflect these changes. The effect of these changes on the revenue and expenditure of the current fiscal year has been to decrease the excess of expenditure over revenue by $51 million, mainly as a result of the change in the recognition of foreign currency losses on long-term debt. The losses on debt maturing in 1985-86 were amortized over the life of the debt issues rather than being completely charged to the year of maturity.

11. LEGISLATIVE AUTHORITY FOR BORROWING AND EXPENDITURE

Limits established by legislation for borrowing funds and for expenditure from appropriations are shown below along with information regarding any non-compliance with these limits that may have occurred during the fiscal year.

($ Millions)

1) **BORROWING:**

	Appropriaton Acts	Loan Acts
Incremental Non-Lapsing Authority Provided in 1985 Acts	$ 700	$ 1,323
Amount Used During the Fiscal Year Ended March 31, 1986	396	101
Available for Future Years	$ 304	$ 1,222
Unused Borrowing Authority From Loan Acts of Prior Years	–	193
	$ 304	$ 1,415
Less: Encumbered for Specific Purposes	–	71
Unencumbered Borrowing Authority at March 31, 1986	$ 304	$ 1,344

NOTES AND SCHEDULES TO THE FINANCIAL STATEMENTS — Continued

2) EXPENDITURE:

A) CHANGES FROM ORIGINAL BUDGET ESTIMATE

The original budget estimate shown on the Statement of Revenue and Expenditure consists of the statutory and voted appropriations that are authorized in the Main and Supplementary Estimates. This amount was increased during the fiscal year as follows:

	($ Millions)
ORIGINAL:	
Main and Supplementary Estimates (including general Statutory Appropriations)	$ 3,619
INCREASED BY:	
Special Warrants	86
Adjustment of estimated amount of statutory appropriations to actual expenditure	24
Total Authorized Expenditure	$ 3,729

B) NON-COMPLIANCE WITH APPROPRIATION LIMITS

Two voted appropriations of the Government ended the fiscal year in a net overexpended position because the programs involved processed expenditures in excess of the amounts recovered from Departments. These programs provide a central service to other Government Departments and, as authorized by the Appropriation Act, incurred expenditures on behalf of Departments in anticipation of recoveries. Because the recoveries did not materialize prior to the close of the fiscal year, the following net overexpenditures were incurred (rounded to the nearest dollar):

Appropriation XIV-3 Communication Services in the Department of Culture, Heritage and Recreation	$ 241,915
Appropriation VIII-4 Project Services in the Department of Government Services	12,310

In addition to the above, fifteen other appropriations of the Government had late accounts paid in the 1986-87 fiscal year that were in excess of the balance remaining in the appropriation at March 31, 1986. Because these late accounts were liabilities at March 31, 1986, they result in non-compliance with appropriation limits established for the respective programs.

12. COMPARISON TO BUDGET ESTIMATE

For purposes of providing a meaningful comparison of changes in the Operating Fund financial position with the budget estimate, in addition to the budget data, other internally developed management information has been also included in the budget estimate information.

13. TRUST FUND

The Operating Fund financial statements show an amount owing to the Trust Fund which primarily represents surplus cash of Crown Corporations, Agencies, Boards and Commissions on deposit with the Minister of Finance for investment but not specifically invested. The assets and liabilities of the Trust Fund itself as at March 31st are as follows:

	($ Millions)	
	1986	1985
ASSETS		
Amount due from Operating Fund	$ 488	$ 526
Cash and Investments	569	542
Total Trust Assets	$ 1,057	$ 1,068
LIABILITIES		
Trust Fund Balances	$ 1,057	$ 1,068
Total Trust Liabilities	$ 1,057	$ 1,068

In addition, the Trust Fund includes trust funds where the Government responsibility is custodial in nature. As at March 31, 1986 and March 31, 1985 these funds are reported as $530 million and $458 million, respectively.

GOVERNMENT OF THE PROVINCE OF MANITOBA

REVENUE RECEIVABLE

SCHEDULE 1

As at March 31, 1986
(with comparative figures for the year ended March 31, 1985)

($ millions)

	1986	1985
Tax Revenue:		
Retail Sales Tax	$ 34	$ 31
Motive Fuel Tax	5	4
Gasoline Tax	9	8
Tobacco Tax	6	6
Revenue Act, 1964	3	4
	$ 57	$ 53
Interest Income:		
Province of Manitoba Sinking Fund	$ 16	$ –
Other Investments	13	–
	$ 29	$ –
Government of Canada and Other Governments:		
Shared Cost programs	$ 52	$ 40
	$ 138	$ 93

GOVERNMENT OF THE PROVINCE OF MANITOBA

LOANS AND ADVANCES

SCHEDULE 2

As At March 31, 1986

(with comparative figures for March 31, 1985)

($ Millions)

	Crown Corporations, Agencies, Boards And Commissions	Other Governments	Others	1986 Total	1985 Total
When Due:					
On Demand	$ 161	$ –	$ 46	$ 207	$ 135
1–5 Years	995	5	14	1,014	760
6–10 Years	1,073	4	17	1,094	972
11–20 Years	300	2	9	311	227
Over 20 Years	109	–	–	109	126
Totals	$ 2,638	$ 11	$ 86	$ 2,735	$ 2,220
Less: Sinking Funds	115	–	–	115	102
	$ 2,523	$ 11	$ 86	$ 2,620	$ 2,118
Valuation Allowance	27	–	35	62	36
Net	$ 2,496	$ 11	$ 51	$ 2,558	$ 2,082

GOVERNMENT OF THE PROVINCE OF MANITOBA

LONG-TERM INVESTMENTS

SCHEDULE 3

As at March 31, 1986
(with comparative figures for March 31, 1985)

($ millions)

	Crown Corporations	Others	1986 Total	1985 Total
Shares:				
Common	$ 38	$ 3	$ 41	$ 86
Preferred	241	–	241	205
Debentures	4	–	4	4
	$ 283	$ 3	$ 286	$ 295
Valuation Allowance	130	1	131	137
Net	$ 153	$ 2	$ 155	$ 158

GOVERNMENT OF THE PROVINCE OF MANITOBA

ACCOUNTS PAYABLE, ACCRUED CHARGES AND FUNDS SUBJECT TO CALL

SCHEDULE 4

As at March 31, 1986
(with comparative figures for March 31, 1985)

($ millions)

	1986	1985
Accounts Payable	$ 156	$ 113
Interest Accrued on Provincial Borrowings and Trust Funds	136	122
Funds Subject to Call re:		
Shared Cost Programs	2	–
	$ 294	$ 235

SCHEDULE 5

GOVERNMENT OF THE PROVINCIAL OF MANITOBA

SCHEDULE OF LIABILITIES FOR BORROWINGS

As At March 31, 1986
(with comparative figures for March 31, 1985)

($ millions)

Fiscal Year of Maturity	Bonds and Debentures Cdn $	Bonds and Debentures US $	Other	Canada Pension Plan Cdn $	Govt of Canada Cdn $	Treas Bills Cdn $	Totals 1986	Totals 1985
1986	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 224
1987	101	27	41	32	4	325	530	194
1988	226	16	14	39	4	–	299	299
1989	76	106	141	43	4	–	370	370
1990	1	285	86	45	5	–	422	422
1991	110	298	67	52	5	–	532	347
1987–1991	514	732	349	211	22	325	2,153	1,632
1992–96	658	489	1,154	333	27	–	2,661	2,171
1997–2006	43	243	107	1,133	75	–	1,601	1,363
2007–16	–	–	–	–	49	–	49	52
1992–2016	701	732	1,261	1,466	151	–	4,311	3,586
Total Borrowings	1,215	1,464	1,610	1,677	173	325	6,464	5,442
Reduced By:								
Unamortized Debt Issue Costs	2	10	16	–	–	–	28	–
	1,213	1,454	1,594	1,677	173	325	6,436	5,442
Sinking Funds Provided	76	173	100	505	18	–	872	660
	$ 1,137	$ 1,281	$ 1,494	$ 1,172	$ 155	$ 325	$ 5,564	$ 4,782

GOVERNMENT OF THE PROVINCE OF MANITOBA

EXPENDITURE BY OBJECT

SCHEDULE 6

As at March 31, 1986
(with comparative figures for the year ended March 31, 1985)

	($ millions) 1986	1985
Personnel Services	$ 509	$ 480
Grants/Transfer Payments	2,043	1,940
Transportation	11	9
Communications	20	17
Supplies and Services	210	172
Social Assistance Related	236	216
Other Operating	32	39
Capital	277	292
Public Debt	273	224
Hydro Rates Stabilization	34	18
	$ 3,645	$ 3,407

GOVERNMENT OF THE PROVINCE OF MANITOBA

ACCOUNTING POLICIES-STATEMENT AND APPLICATION

STATEMENT OF ACCOUNTING POLICIES

The basic accounting policies followed by the Government of Manitoba, which have been applied in the preparation of these Financial Statements are summarized below. These policies have been developed and are applied in accord with the provisions of the Financial Administration Act, which is Chapter F55 of The Continuing Consolidation of The Statutes of Manitoba. Further information regarding their application to the financial transactions of the Government is provided in the section entitled "Application of Accounting Policies".

I. THE ACCOUNTING ENTITY

The financial transactions of the Government are recorded in "The Consolidated Fund". The activities of The Consolidated Fund are divided into the "Operating Fund", which records the operational activities of the Government, and the "Trust Fund", which records the trust administration function.

Financial statements prepared for the "Operating Fund" report amounts received as Government revenue, expenditure on Government programs, the lending and investment of Government funds and the borrowing and repayment of debt. Financial statements prepared for the "Trust Fund" report the activities in the various categories of trust money administered by the Government.

The financial operations of the provincial Crown Corporations, Agencies, Boards and Commissions are reflected in The Consolidated Fund to the extent that:

1) They receive money from or pay money to the Government.
2) Any deficits they incur are adjusted against the amounts loaned, advanced or invested in them by the Government.

II. BASIS OF ACCOUNTING FOR REVENUE AND EXPENDITURE

A REVENUE

i) Revenue is ordinarily recorded on a cash basis, with the exception of provincially collected tax revenue, income from investments and advances, shared-cost receipts and Canada-Manitoba Fiscal Arrangements. Accordingly, all money received by Departments on or before March 31 is included in the revenue for the fiscal year, provided that it is deposited with the Minister of Finance prior to the thirtieth day of April, immediately following.

ii) Provincially collected taxes received by the Government in April with respect to collections made by Agents during March are recorded as revenue for the fiscal year just ended.

iii) Income from investments and interest on advances are recorded on an accrual basis. In the case of the provincial sinking funds, any discount or premium arising on purchase is amortized over the period to maturity.

iv) Money received pursuant to shared-cost agreements and arrangements that extend over more than one fiscal year is recorded as revenue in each fiscal year in proportion to the related expenditure made in the respective year.

v) Revenue and expenditure are recorded in gross amounts (referred to as the Gross Accounting Concept) with the exception of the Municipal Share of Individual and Corporation Income Taxes, which is paid to Municipalities in accordance with the Provincial-Municipal Tax Sharing Act and is not recorded as revenue by the Government.

vi) Recoveries from Crown Corporations and Government Agencies of the debt servicing costs on self-supporting debt are recorded as a reduction of Public Debt expenditure. The same treatment is also given to income earned on investments and interest on advances.

B EXPENDITURE

Expenditure is recorded on a cash basis, modified to allow an additional forty-five days after the end of the fiscal year for the processing of payments pertaining to that fiscal year. Salaries and wages, however, are charged to the fiscal year in which they are paid.

An accrual is made to March 31st for interest payable on bonds, debentures and other long-term debt and on trust funds invested with the Minister of Finance. An annual provision is made for unrealized losses (gains) on long-term debt that is payable in foreign currencies so that this cost is amortized over the life of the debt issue. Any discount, premium or commission incurred on the issue of the debt is also amortized over the life of the issue.

III. ASSETS AND LIABILITIES

1. The assets and liabilities reported in the financial statements are financial claims consisting of assets which are claims by the Government on other parties and liabilities which are claims by other parties on the Government.
2. Expenditure for the acquisition and/or construction of physical assets together with inventories and other deferred expenditures is not considered to differ from any other service to the public and accordingly is treated as an expenditure of the year in which the expenditure is made. Since such expenditure does not represent financial claims on others, it is not reported as an asset at fiscal year end. This does not negate the fact that the Government has substantial holdings of physical assets such as buildings, highways, education and health facilities, which may tend to appreciate in value over time.
3. Loans, advances and long-term investments held by the Government are subject to annual revaluation. A Valuation Allowance is provided and is adjusted annually to reflect the estimated change in value of these assets.

4. Bonds, debentures and other long-term debt are recorded as liabilities at the par value of such securities. Any discount, premium or commission incurred at the time of issue of the debt is amortized over the life of the debt issue. For foreign issues, the par value is converted to Canadian Funds at the exchange rate in effect at the date of issue, or the actual conversion rate of the proceeds. Sinking funds are maintained in accordance with the legal requirements of the debt instruments and the Financial Administration Act.

IV. GUARANTEED AND INDIRECT LIABILITIES

In addition to having direct debt, the Government also acts as a guarantor of securities issued by various other entities. The debt guaranteed pertaining to Crown Corporations, Agencies, Boards and Commissions is largely self-supporting. Other guaranteed debt for schools, universities and hospitals is serviced in whole or in part from appropriations of the Consolidated Fund. Legislation requires the maintenance of Sinking Funds for the retirement of the debt of most Crown Corporations, Agencies, Boards and Commissions. These Sinking Funds are maintained by the Minister of Finance through annual contributions from the Crown Corporation, Agency, Board or Commission to whom the debt applies and are held in the Trust Fund.

Other Contingent Liabilities that result from other financial activities of the Government are also reported annually in the Public Accounts.

APPLICATION OF ACCOUNTING POLICIES

The following outlines the application of these accounting policies to the financial transactions of the Government:

I. REVENUE

The revenue of the fiscal year is generally the amount received during the fiscal year. Exceptions are made for provincially collected taxes, shared-cost receipts, income from investments, and revenue from the Government of Canada, which are subject to the following additional practices:

a) Provincially collected taxes received by the Government in April with respect to collections made by Agents during March are recorded as revenue for the fiscal year just ended. These amounts are recorded as an account receivable from these Agents as at March 31.

b) A revenue receivable is recorded at March 31st for the interest accrued to that date on the temporary investments of the Operating Fund, on investments owned by the Province of Manitoba Sinking Fund and on advances to Crown Corporations, Agencies, Boards and Commissions. This amount is shown as a revenue receivable even though the income from investments is treated as a reduction in the Public Debt appropriation. The discount (premium) incurred at the time of purchase of the sinking fund investments is also recognized annually in the accounts. The discount (premium) is amortized over the term of the investment with a proportionate increase (decrease) in the book value of the investment.

c) Where, pursuant to an agreement or arrangement, money is received in advance relating to projects for which expenditure is to be made in more than one fiscal year, the money is deemed to have been received in each fiscal year in proportion to the related expenditure made in the respective fiscal year.

d) It is the practice to show the uncollected balance of claims related to shared-cost agreements with the Government of Canada as an account receivable at March 31. This accrual is made in order that the revenue from this source is recorded in proportion to the related expenditure incurred in the fiscal year.

e) The accounts are kept open until June 30 to reflect any adjustments regarding revenue from the Government of Canada under the Canada-Manitoba Fiscal Arrangements that the Government of Manitoba may become aware of before that date. Since this is a major source of Government revenue, this practice is considered necessary to show the financial condition of the Government in the most accurate manner possible.

II. EXPENDITURE

Expenditure of the fiscal year is essentially payments made from appropriations during the fiscal year and for a subsequent forty-five day period after March 31. The accounts remain open during this period to allow processing time for expenditure pertaining to the fiscal year just ended.

The following additional practices are applicable when recording the public debt costs of the Province:

1. An accrual is made to March 31st for the interest payable on bonds, debentures and other long-term debt and on trust funds invested with the Minister of Finance. In the case of foreign issues, the accrual is based on the exchange rate that was recorded at the time of debt issue. There is no provision made for the fluctuation of foreign currencies between the debt issue dates and the interest payment dates.
2. An annual provision is made for the unrealized losses (gains) that will occur at maturity on long-term debt that is payable in foreign currencies because of fluctuations in currency values over the life of the issue.
3. Any discount, premium or commission incurred on the issue of long term debt is amortized over the life of the respective debt issue.

The Valuation Allowance is not charged to an appropriation. This amount, which represents an estimate of the change in recoverable value of loans and advances and long-term investments during the fiscal year is reported as a separate item on the Statement of Revenue and Expenditure but is not included in the "Excess of Expenditure Over Revenue". When a legal realization of the loss occurs, the final write off of the loan, advance or investment will also be disclosed after the operating results on the Statement of Revenue and Expenditure.

Payments made by the Government for capital purposes are classified in a separate category of expenditure called "Expenditures Related to Capital Assets" and are defined as follows:

a) Expenditures for property of all kinds, both real property and chattels, purchased or self-constructed for use by Government that are deemed to have an economic life in excess of one year.

b) Expenditures for projects or activities which entail major renewals, modification or modernization by own labour forces on behalf of the Government. The expenditures should significantly prolong the expected economic life of the asset.

c) The principal portion of a debt repayment when the debt was incurred to acquire a physical asset and the acquisition cost of the physical asset was not previously reflected in the Consolidated Fund as an expenditure.

d) Grants or assistance payments to municipalities, school divisions, external agencies, commercial organizations and private individuals which are known to be for the purchase, construction or improvement of physical assets.

III. ASSETS AND LIABILITIES

The Statement of Financial Position — Operating fund is prepared in accordance with the following practices:

1. CASH AND EQUIVALENTS

This classification is comprised of the temporary investments of the Province which are reduced by the net overdraft in the Province's bank accounts. It is further reduced by the amount of uninvested cash belonging to the Provincial Sinking Fund. This cash is designated as part of the Provincial Sinking Fund and will be made available for long-term investment when required. Temporary investments are securities held as a result of the investment of the Government's cash flow and are generally comprised of money market instruments such as term deposits and negotiable securities which are intended to be held for a short term. All investments are shown at cost. The net bank overdraft has been adjusted for cheques issued prior to and not presented for payment at March 31st and for cash in transit.

2. REVENUE RECEIVABLE

Amounts accrued at March 31st for provincially collected tax revenues, interest on investments and advances and the uncollected balance of claims related to shared-cost agreements with the Government of Canada are shown here.

3. LOANS AND ADVANCES

Advances to Crown Corporations, Agencies, Boards and Commissions, which are generally interest bearing, are shown under this heading.

The Sinking Funds provided by Crown Corporations, Agencies, Boards and Commissions for repayment of the debt issued to fund advances to these entities are deducted from the advances.

Certain of the Crown Corporations are charged with a responsibility for administering Government programs for which they receive funds from Government appropriations. These funds are applied by the Corporation towards the program administration cost, including, in some cases, a portion of the interest they are charged on these advances. The principal repayment and/or interest charges for certain of the advances are dependent on total or partial funding from future appropriations of the Operating Fund.

Loans and advances to Municipal Corporations or others under various Government programs are included here. Certain of these amounts may be interest bearing depending on the nature of the program.

All loans and advances are recorded at cost and are subject to annual valuation to reflect reductions from their recorded value to their estimated realizable value.

4. LONG-TERM INVESTMENTS

The majority of the Province's long-term investments consist of shares and debentures of Crown Corporations. These investments are carried at cost which does not reflect the realizable value of the investments. Any decrease in the estimated realizable value is provided for in the valuation allowance, which is described in the next paragraph.

5. VALUATION ALLOWANCE

An allowance is provided for decreases in the value of loans, advances and long-term investments and is adjusted annually for changes that may occur in the estimated realizable value of these assets. The allowance is used to provide for the accumulated deficits of the Crown Corporations, Agencies, Boards and Commissions in which the Government has invested money by way of loans, advances or purchase of shares. The valuation is based on the most recent audited financial statements applicable to the fiscal year being reported that are available at the time of publication of the Public Accounts. If the Government has more than one type of investment in an organization (eg. common shares, preferred shares and debentures), the accumulated deficit is assigned against the investments in order of priority on liquidation.

In the case of loans, advances or investment in other entities or programs the allowance is used to reflect the estimated recoverable value of these amounts.

6. AMOUNT OWING TO THE TRUST FUND

A large portion of this money has been deposited with the Minister of Finance in accordance with the terms of the legislation regulating the management of sinking funds and surplus cash of Crown Corporations, Agencies, Boards and Commissions, but is not specifically invested. Such deposits are accorded a market rate of interest.

7. ACCOUNTS PAYABLE, ACCRUED CHARGES AND FUNDS SUBJECT TO CALL

Cheques issued during the forty-five day period after March 31, in payment for goods and services pertaining to the fiscal year just ended are shown as accounts payable rather than as outstanding cheques.

Accrued charges represent the accrual of interest on provincial securities and on Trust Funds.

Funds subject to call consist of money received from the Government of Canada under shared-cost programs that will not be taken into revenue until earned.

8. **BORROWINGS**

This category includes bonds, debentures, secured loans from the Government of Canada, treasury bills and notes. Securities issued in Canadian Funds are recorded at par value. Securities issued in foreign funds are recorded at the Canadian Dollar equivalent of the par value based on the actual conversion of the proceeds or at the exchange rate in effect at the date of issue if conversion does not take place at issue date. Securities payable in foreign funds issued for the purpose of refunding other issues payable in the same currency are recorded at the Canadian Dollar equivalent of the par value at the date of issue.

The Government is required, by legislation, to determine the Canadian Dollar equivalent of provincial securities issued in foreign currencies or units of monetary value at March 31st of each year. The amount determined must be published in the Public Accounts as information regarding the current valuation of this foreign debt. An annual provision is made for these unrealized losses (gains) as described in paragraph 9 below.

Borrowings are reduced by the unamortized balance of the discount, premium or commission incurred on the issue of long-term debt which will be amortized over the remaining term of the debt issues for which these costs were incurred.

Borrowings are also reduced by Sinking Funds which are maintained in accordance with the legal requirements of the debt instruments and the Financial Adminstration Act. Money is allocated annually to these sinking funds on the following basis:

a) A sum equal to 3% of the aggregate amount of general purpose debt, in Canadian Dollars, outstanding at the end of the preceding fiscal year; and

b) All earnings derived from investing the sinking fund.

In addition principal repayments of advances which are funded by the issue of provincial securities are deposited to the sinking fund provided that the principal repayments are made prior to the maturity date of such securities.

The total shown for sinking funds also includes sinking fund money provided by Crown Corporations, Agencies, Boards and Commissions in respect to debt incurred on their behalf by the Government.

9. **PROVISION FOR UNREALIZED FOREIGN CURRENCY LOSSES**

An annual provision is made for the estimated losses (gains) that could occur at maturity on long-term debt that is payable in foreign currencies because of fluctuations in currency values between the debt issue dates and maturity dates. Each fiscal year-end the foreign debt is revalued using the average of the exchange rates that were in effect during the fiscal year just ended and during the preceding two years. The provision is calculated by amortizing the currency fluctuation over the remaining term of the debt.

When the debt matures, the actual loss (gain) is adjusted against the cumulative provision for that specific debt issue. Any difference between the actual amount and the amount provided is charged (credited) to the Public Debt appropriation.

10. **EXCESS OF LIABILITIES OVER FINANCIAL ASSETS AND OTHER OBLIGATIONS HELD BY THE PROVINCE CONSIDERED TO BE SIMILAR IN NATURE:**

a) SERIAL DEBENTURES OF SCHOOL DIVISIONS AND DISTRICTS, TRANSFERRED FROM THE MANITOBA SCHOOL CAPITAL FINANCING AUTHORITY

The School Capital Financing Authority Act was repealed April 1, 1983 at which date all investments and money held by the Authority, as well as debt payable by the Authority, was assumed by the Government. The investments transferred to the Government consist of serial debentures issued by school divisions and districts for which the Government is primarily responsible for repayment. These securities are therefore included in this category because they do not represent a claim on other parties.

The budget estimates of expenditure provide an annual appropriation in the Consolidated Fund to cover the principal and interest costs of these debentures. The cash drawn from this appropriation for the required annual principal repayments is transferred to the Province's sinking fund where it will be used for repayment at maturity of the debt assumed from the Authority. A similar treatment would be accorded any proceeds from the sale of the school debentures.

b) SECURITIES RECEIVED FROM THE SALE OF LAND AND BUILDINGS TO MANITOBA PROPERTIES INC.

Land and buildings, having an aggregate value of $917 million, were sold to Manitoba Properties Inc. under various sales agreements during 1984/85 and 1985/86. In addition to cash, the purchase consideration received from the sale consisted of common shares of Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. and promissory notes from Manitoba Properties Inc.

The recorded value of the common shares has been reduced by a special valuation account which was established from a portion of the sale proceeds and is used to reflect the potential diminution in value of these shares as the result of dividends paid to preferred shareholders of Manitoba Properties Inc. on an annual basis. Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. jointly own all the common shares of Manitoba Properties Inc. and the value of their equity in these shares could decrease annually with the payment of dividends by the latter to preferred shareholders.

Interest payable to the Province on the promissory notes is funded from annual rental payments made by the Province to Manitoba Properties Inc. and is therefore dependent on future appropriations of the Consolidated Fund. These securities are therefore included under this category because they do not represent a claim on other parties.

c) EXCESS OF LIABILITIES OVER FINANCIAL ASSETS

This account and the two accounts previously described represent the difference between liabilities, which are financial claims owing by the Government, and financial assets, which are financial claims receivable by the Government. Since the physical assets and materials inventories of the Government do not constitute a financial claim receivable by the Government, they are not considered in the determination of this balance.

IV. CHANGES IN ACCOUNTING POLICY

Section 10 of the Financial Administration Act requires a statement of any change in the accounting policies of the Government from those followed in the preceding fiscal year. The changes for the fiscal year ended March 31, 1986 were as follows:

a) The practice previously in effect of accruing interest payable at March 31st on bonds, debentures and other long-term debt has been expanded to include interest payable on trust funds deposited with the Minister of Finance for investment. These trust funds form part of and are invested in the Consolidated Fund and are accorded a market rate of interest. In order to accommodate the transition from the cash basis previously followed for this item, an adjustment of $4.5 million was made through the Excess of Liabilities Over Financial Assets Account for the amount that would have been accrued at March 31, 1985.

b) A Provision for Unrealized Foreign Currency Losses was established so that an annual provision would be accrued for the fluctuation in currency values that occurs in long-term debt between the debt issue date and maturity date. Previously the losses (gains) that resulted from the fluctuation in currency values was recognized only at the time of debt maturity. In order to accommodate the establishment of this provision for those debt issues that were outstanding prior to March 31, 1985, an adjustment of $256.4 million was made through the Excess of Liabilities Over Financial Assets Account. The provision for 1985/86 of $15.8 million is charged against the Public Debt appropriation.

c) Any discount, premium or commission cost incurred on the issue of long-term debt is treated as a deferred expenditure and allocated over the life of the debt issue. Previously these costs were treated as an expenditure of the year in which the debt was issued. In order to accommodate the transition from the cash basis previously followed, an adjustment of $27.7 million was made through the Excess of Liabilities Over Financial Assets Account for the amount of deferred expenditure pertaining to outstanding debt issues at March 31, 1985.

d) Interest income was accrued at March 31st, 1986 on temporary investment of the Operating Fund, on investments owned by the Province of Manitoba Sinking Fund, and on advances to Crown Corporations, Agencies, Boards and Commissions. Previously, this interest income was recorded on a cash basis. Accounting policy was also changed regarding the discount (premium) incurred at the time of purchase of sinking fund investments. The discount (premium) is now amortized over the term of the investment so that a portion is now recognized in the accounts as being earned annually whereas previously it was only recorded at the time of investment disposal or maturity. In order to accommodate the transition from the cash basis for these two items, adjustments of $24.2 million for interest income and of $19.5 million for discount (premium) on investments were made through the Excess of Liabilities Over Financial Assets Account for the amount applicable to investments and advances at March 31, 1985.

e) The allowance titled "Allowance For Losses On Realization Of Assets" has been renamed "Valuation Allowance" and its purpose has been expanded to include all Loans and Advances and Long-Term Investments. Previously this allowance was used only for Crown Corporations, Agencies, Boards and Commission in which the Government has invested money by way of loans, advances or purchase of shares.

DETAILS OF OPERATING FUND
ASSETS AND LIABILITIES
AS AT MARCH 31, 1986

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DETAILS OF OPERATING FUND ASSETS AND LIABILITIES AS AT MARCH 31, 1986

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GOVERNMENT OF THE PROVINCE OF MANITOBA
CASH AND EQUIVALENTS
As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
TEMPORARY INVESTMENTS		
TERM BANK DEPOSITS – AT COST		
Bank of America Canada	$ –	$ 9,805,200
Bank of Montreal	68,180,000	60,721,566
Bank of Nova Scotia	32,877,145	57,501,800
Barclay's Bank of Canada	973,380	5,935,020
Canadian Imperial Bank of Commerce	60,000,000	46,845,730
Citibank Canada	–	12,772,810
Credit Suisse Canada	2,236,980	–
Dai-Ichi Kangyo Bank Canada	–	9,900,600
Mercantile Bank of Canada	–	1,681,079
Mitsui Bank of Canada	–	989,120
National Bank of Canada	–	6,895,405
National Westminister Bank of Canada	–	1,958,200
Northland Bank	3,915,457	5,000,000
Royal Bank of Canada	22,754,116	46,299,300
Sanwa Bank Canada	–	7,033,686
Toronto Dominion Bank	19,296,550	62,566,614
	$ 210,233,628	$ 335,906,130
OTHER INVESTMENTS – AT COST		
Export Development Corp. Promissory Notes	$ 9,732,000	$ –
Farm Credit Corp. Promissory Notes	10,814,414	–
Federal Business Development Bank Promissory Notes	14,634,600	–
Government of Canada Treasury Bills	334,952,356	391,035,530
Manitoba Telephone System Promissory Notes	30,614,556	22,725,000
Newfoundland and Labrador Hydro Promissory Notes	4,874,250	–
Province of Alberta Treasury Bills	–	18,456,580
Province of British Columbia Promissory Notes	7,721,416	16,956,992
Province of British Columbia Treasury Bills	22,552,981	4,876,150
Province of Manitoba Treasury Bills	64,591,570	51,730,980
Province of Ontario Treasury Bills	20,476,920	2,514,565
Province of Quebec Treasury Bills	–	5,929,688
Province of Saskatchewan Promissory Notes	37,473,060	–
Public Schools Finance Board Notes	39,045,000	40,600,000
Other	61,431	83,943
	$ 597,544,554	$ 554,909,428
Total Temporary and Other Investments	$ 807,778,182	$ 890,815,558
Deduct: Due to Provincial Sinking Fund Re: Uninvested Cash (Note 1)	253,275,568	213,275,472
	$ 554,502,614	$ 677,540,086
Less: Bank Overdraft		
Overdraft in Government Bank Accounts (Note 2)	$ 16,387,188	$ 16,695,001
Outstanding Deposits (Net of Outstanding Cheques and Other adjustments) (Note 3)	13,882,484	(25,005,889)
Overdraft as per Records	$ 2,504,704	$ 41,700,890
	$ 551,997,910	$ 635,839,196

NOTE 1: This amount represents uninvested Sinking Fund cash on deposit in the Government Bank Accounts and is thereby an amount that is owing to the Sinking Fund. For further information, please refer to the schedule of Sinking Funds Provided.

NOTE 2: Order-in-Council 1138/82 authorizes the Minister of Finance to borrow money by the sale of promissory notes or by bank line of credit up to an aggregate amount not exceeding $350,000,000 at any one time.

NOTE 3: Cheques issued subsequent to March 31, 1986 in settlement of accounts payable for goods received and services rendered prior to that date are presented as accounts payable rather than outstanding cheques.

GOVERNMENT OF THE PROVINCE OF MANITOBA

REVENUE RECEIVABLE

As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
TAXATION REVENUE		
Retail Sales Tax	$ 34,554,225	$ 31,340,560
Motive Fuel Tax	4,925,499	4,025,447
Gasoline Tax	8,628,195	7,816,410
Tobacco Tax	6,074,592	5,848,391
Revenue Act, 1964 Part 1	3,376,159	3,530,163
	$ 57,558,670	$ 52,560,971
GOVERNMENT OF CANADA AND OTHER GOVERNMENTS RE:		
Shared Cost Programs/Agreements		
Airport Operation and Maintenance	$ 34,240	$ 43,225
ARC Agreement	21,254	–
Beaver Nuisance Control Program	17,453	–
Bilingualism	1,509,400	5,496,600
Canada Assistance Plan	18,967,227	14,762,324
Canada Industrial Development Agreement	760,005	760,005
National Training Act	2,933,281	1,709,061
Canada Student Loan Act	146,900	148,843
Citizens Inquiry	–	42,500
Citizenship and Language Instruction	783,397	372,397
Language Textbooks	93,313	50,400
Communications and Culture Enterprises	9,521	–
Crane River School	115,404	249,440
Criminal Injuries Compensation Board	106,960	105,810
Economic Development Planning	16,297	47,506
Emergency Disaster	303,569	1,071,325
Enerdemo Canada Program	244,760	–
Energy Agreement	–	555,052
Federal/Provincial 4–H Program	12,773	15,024
Federal/Provincial Agriculture Manpower Agreement	26,827	19,459
Federal/Provincial Feed Security Program	130,633	–
Flood Damage Reduction	24,827	48,167
Forest Renewal Agreement	183,469	201,432
Fur Trapper Services	336	–
Gun Control	101,624	58,659
Health and Welfare	35,475	79,429
Hillridge School	29,498	29,498
Job Access for Young Adults	157,889	–
Joint Emergency Planning Program	305,230	355,070
Legal Aid	181,979	1,774,920
Legal Translation	–	381,751
Limestone Employment and Training	3,900,000	–
Manitoba Crop Insurance	1,508,139	1,028,800
Manitoba School for the Deaf	–	23,240
Migratory Waterfowl Program	744,184	47,380
National Energy Audit Program	–	36,100
No Fault Compensation Study	1,666	–
Northern Development Agreement	–	237,464
Northern Flood	4,999	10,018
Northern Manitoba Mercury Agreement	40,545	65,255
Rabies Indemnity Program	–	540
Refunds for Services	9,043	22,104
Residential Rehabilitation Assistance Program	37,095	–
Skills Growth Fund	540,907	3,067,692
Social Allowance Treaty Indians	4,280,024	2,118,485
Special ARDA	252,865	166,064
Carried Forward	$ 38,573,008	$ 35,201,039

	March 31, 1986	March 31, 1985
Brought Forward	$ 38,573,008	$ 35,201,039
Toronto Royal Freight	23,676	–
Tourism'85	117,048	–
Tourism Agreement	1,021,917	108,329
Transportation Agreement	500,003	–
Transportation – Clearwater Lake Base	4,746	4,912
Upgrading Ring Dykes	119,895	66,882
Urban Transit Assistance Program	–	11,726
Value Added Crop Production	111,532	5,727
Vocational Rehabilitation of Disabled Persons	2,568,042	1,869,485
Wanipigow School	213,487	315,109
Ward Maintenance Treaty Indians	433,439	159,538
Water Development and Drought Proofing	17,507	78,963
Winnipeg Inner Core Area Agreement	1,668,110	941,522
Winter Roads	1,145,069	158,698
Working Together	68,250	–
Young Offenders Act	5,542,958	1,600,000
	$ 52,128,687	$ 40,521,930
INTEREST INCOME		
Province of Manitoba Sinking Fund	$ 15,859,433	$ –
Other Investments	12,418,947	–
	$ 28,278,380	$ –
	$ 137,965,737	$ 93,082,901

GOVERNMENT OF THE PROVINCE OF MANITOBA

LOANS AND ADVANCES

As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
CROWN CORPORATIONS, AGENCIES, BOARDS AND COMMISSIONS		
Manitoba Hydro-Electric Board	$ 1,706,088,567	$ 1,355,201,918
Manitoba Telephone System	398,265,898	330,392,751
Manitoba Water Services Board	16,697,331	17,657,556
Manitoba Agricultural Credit Corporation	226,751,303	207,705,883
Manitoba Agricultural Credit Corporation re: The Fisheries Act	3,700,000	3,500,000
Manitoba Development Corporation	29,426,628	27,139,907
Manitoba Housing and Renewal Corporation	228,309,806	175,841,224
Manitoba Trading Corporation	500,000	500,000
Manitoba Text Book Bureau	4,000,000	4,000,000
Manitoba Crop Insurance Corporation	660,000	3,660,000
Manitoba Data Services	5,094,531	6,451,054
Manitoba Energy Authority	1,775,000	625,000
Manitoba Properties Inc.	4,875,000	–
Co-operative Loans and Loans Guarantee Board	42,427	70,000
The Liquor Control Commission	4,500,000	4,500,000
Venture Manitoba Tours Ltd	2,000,000	300,000
	$ 2,632,686,491	$ 2,137,545,293
Less: Sinking Funds Provided for Repayment of Applicable Debt (Note 1)		
Manitoba Hydro-Electric Board	$ 94,400,829	$ 81,970,445
Manitoba Telephone System	14,649,402	15,030,533
Manitoba Housing and Renewal Corporation	5,776,621	5,188,101
	$ 114,826,852	$ 102,189,079
Net Advances After Deduction of Sinking Funds	$ 2,517,859,639	$ 2,035,356,214
Conditional Grant Payments (Note 2)		
Communities Economic Development Fund	$ 4,615,221	$ 4,215,221
Total Crown Corporations, Agencies, Boards and Commissions	$ 2,522,474,860	$ 2,039,571,435
OTHER GOVERNMENTS		
Municipal Works Assistance Act	$ 3,730,459	$ 4,454,710
Agricultural Service Centres Agreement	6,239,345	6,483,279
City of Brandon – Special Agreement	641,092	704,131
Local Government District of Churchill	300,000	300,000
Special Municipal Loan Program	403,270	458,342
	$ 11,314,166	$ 12,400,462
OTHER		
Manitoba Crop Reinsurance Account	$ 4,000,000	$ 4,000,000
Manitoba Beef Stabilization Fund	29,000,000	16,000,000
Manitoba Hog Producers' Marketing Board	7,600,000	7,600,000
University of Manitoba	4,268,735	4,439,939
St. Boniface Sanatorium re St Amant Ward	1,394,528	1,714,705
Sherritt Gordon Mines Ltd. re Fox Mine Agreement	824,753	928,851
Insulation Loan Program	15,992,348	15,310,731
Emergency Interest Rate Relief Program	7,305,919	7,574,201
Canadian Co-operative Implements Ltd.	–	2,975,000
Venture Capital Program	3,744,480	2,440,319
Manitoba Fire College	728,359	750,000
Churchill Hydro Line Extension	10,022,536	714,448
Advances to Employees and Others re Travelling and Other Expenses	627,215	596,627
Community Residences	17,755	185,910
Carried Forward	$ 85,526,628	$ 65,230,731

	March 31, 1986	March 31, 1985
Brought Forward	$ 85,526,628	$ 65,230,731
Winnipeg Bible College	150,000	150,000
Film Support Program	211,495	–
Employment Co-op Program	62,400	–
Sundry	61,768	107,848
	$ 86,012,291	$ 65,488,579
	$ 2,619,801,317	$ 2,117,460,476

NOTE 1: These Sinking Funds are provided by Crown Corporations, Agencies, Boards and Commissions for repayment of the debt issued to fund advances to these entities.

NOTE 2: This Grant has the following condition attached to it:

The Communities Economic Development Fund must use the funds provided for the purpose of operating a revolving fund for direct loans. If at any time the revolving fund should cease to operate, the residue of the revolving fund shall be paid over to the Government of Manitoba.

GOVERNMENT OF THE PROVINCE OF MANITOBA

LONG TERM INVESTMENTS

As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
SHARES AND DEBENTURES OF CROWN CORPORATONS AT COST (NOTE 1)		
Common Shares		
Shares of Manitoba Development Corporation 500,000 common shares (Note 2)	$ 1	$ 50,000,000
Shares of Manfor Ltd 20,000,000 common shares	20,000,000	20,000,000
Shares of Manitoba Mineral Resources Ltd., 740,000 common shares	7,400,000	6,800,000
Shares of Manitoba Oil and Gas Corporation 100,000 common shares	10,000,000	5,000,000
Shares of Manitoba Properties Leasing Inc. 2,000 common shares	19,990	19,990
Shares of Manitoba Properties Management Inc. 2,000 common shares	19,990	19,990
Shares of Channel Area Loggers Ltd. 30,000 common shares	300,000	300,000
Shares of Moose Lake Loggers Ltd. 30,000 common shares	300,000	300,000
Shares of A.E. McKenzie Co. Ltd. 1,145 common shares	114,500	114,500
Shares of Leaf Rapids Town Properties Ltd. 100 common shares	100	100
Shares of Manitoba ARC Authority 1 common share	1	1
Shares of North Portage Development Corporation 1 common share	1	1
Shares of Venture Manitoba Tours Ltd 1 common share	1	1
	$ 38,154,584	$ 82,554,583
Preferred Shares		
Shares of Manfor Ltd.		
200,123,028, 7% dividend, non-cumulative, non participating, non voting redeemable preferred shares	$ 200,123,028	$ 163,823,028
38,519,000, 11% redeemable, retractable, non voting, non participating, cumulative preferred shares	38,519,000	38,519,000
Shares of Leaf Rapids Town Properties Ltd. 26,210, 8.15% dividend, non cumulative redeemable, preferred shares	2,621,000	2,621,000
	$ 241,263,028	$ 204,963,028
Debentures		
Leaf Rapids Town Properties Ltd.	$ 3,950,262	$ 4,122,327
Total Shares and Debentures of Crown Corporations	$ 283,367,874	$ 291,639,938

	March 31, 1986	March 31, 1985
OTHER INVESTMENTS AT COST		
Common Shares		
Shares of Northland Bank		
42,950 common shares	$ –	$ 536,875
Shares of Tantalum Mining Corporation of Canada Limited		
250,000 common shares	3,261,825	3,261,825
	$ 3,261,825	$ 3,798,700
Total Long Term Investments	$ 286,629,699	$ 295,438,638

NOTE 1: Only the fixed interest debentures of Leaf Rapids Town Properties Ltd., in the amount of $2,451,684. require an annual interest payment to the Government. The remainder of Investments are income debentures and shares.

Investments have been funded mainly through borrowings of the Government. Interest on this debt is paid from the Government's appropriations and is reduced by interest received on the fixed interest debentures referred to above.

NOTE 2: The Manitoba Development Corporation (MDC), whose capital stock is wholly owned by the Province, has disposed of it's long term investment in Flyer Industries Limited. Ownership of Flyer Industries has been transferred to BV Carrosseriefabriek Den Oudsten En Zonen of Woerden, Holland effective July 15, 1986.

The accumulated operating losses of Flyer Industries Limited have been recognized annually in the accounts of MDC by means of an allowance for potential losses. The resulting decrease in the value of the MDC capital stock owned by the Province has been provided for by the Province through a valuation allowance placed against these shares ($43.5 million at March 31, 1985). The sale to Den Oudsten has resulted in the recognition of the permanent reduction in the value of MDC capital stock, which has been written down to one dollar.

GOVERNMENT OF THE PROVINCE OF MANITOBA

VALUATION ALLOWANCE

AS AT MARCH 31, 1986
(with comparative figures for March 31, 1985)

	Amount at March 31, 1986	Valuation Allowance		
		March 31, 1986	March 31, 1985	Valuation Date
LOANS AND ADVANCES TO CROWN CORPORATIONS, AGENCIES, BOARDS AND COMMISSIONS:				
Manitoba Water Services Board	$ 16,697,331	$ 1,903,581	$ 2,529,394	March 31, 1986
Manitoba Agricultural Credit Corporation	226,751,303	4,707,347	–	March 31, 1986
Manitoba Development Corporation (Note 1)	29,426,628	10,073,275	7,803,430	March 31, 1986
Manitoba Housing and Renewal Corporation	228,309,806	1,436,394	–	March 31, 1986
Manitoba Crop Insurance Corporation	660,000	–	3,016,034	March 31, 1986
Manitoba Energy Authority	1,775,000	1,767,965	623,389	March 31, 1986
Manitoba Properties Inc.	4,875,000	4,875,000	–	Jan 31, 1986
Venture Manitoba Tours Ltd	2,000,000	1,847,916	300,000	March 31, 1986
		$ 26,611,478	$ 14,272,247	
OTHER LOANS AND ADVANCES:				
Manitoba Beef Stabilization Fund	$ 29,000,000	$ 27,249,149	$ 15,752,712	March 31, 1986
Manitoba Hog Producers' Marketing Board (Note 2)	7,600,000	5,481,756	6,308,150	Dec. 31, 1985
Insulation Loan Program	15,992,348	511,755	–	March 31, 1986
Emergency Interest Rate Relief Program	7,305,919	638,412	–	March 31, 1986
Venture Capital Program	3,744,480	798,471	–	March 31, 1986
Film Support Program	211,495	136,000	–	March 31, 1986
		$ 34,815,543	$ 22,060,862	
SHARES AND DEBENTURES OF CROWN CORPORATIONS:				
COMMON SHARES:				
Manitoba Development Corporation (Note 3)	$ 1	$ –	$ 43,525,184	March 31, 1986
Manfor Ltd.	20,000,000	20,000,000	20,000,000	Dec. 31, 1985
Manitoba Mineral Resources Ltd.	7,400,000	2,538,108	3,398,073	Dec. 31, 1985
Manitoba Oil and Gas Corporation	10,000,000	629,912	495,384	Dec. 31, 1985
A.E. McKenzie Co Ltd	114,500	114,500	114,500	Oct. 31, 1985
Leaf Rapids Town Properties Ltd.	100	100	–	March 31, 1986
		$ 23,282,620	$ 67,533,141	
PREFERRED SHARES:				
Manfor Ltd.	$ 238,642,028	$ 106,227,000	$ 69,782,268	Dec. 31, 1985
Leaf Rapids Town Properties Ltd.	2,621,000	564,137	–	March 31, 1986
		$ 106,791,137	$ 69,782,268	
OTHER INVESTMENTS:				
COMMON SHARES:				
Tantalum Mining Corporation of Canada Limited	$ 3,261,825	$ 1,507,575	$ –	March 31, 1986
		$ 193,008,353	$ 173,648,518	

NOTE 1: Advances made to the Manitoba Development Corporation were for the specific purpose of providing funds to the following Corporations:

A.E. McKenzie Co. Ltd.	$ 12,929,169
Sherritt Gordon Mines	10,000,000
Destination Manitoba	1,780,728
Westeel, A Division of Jannock Ltd	927,850
Tantalum Mining Corporation of Canada Limited	959,500
Toro Canada Ltd.	625,000
Gravure Graphics Ltd.	973,000
Vicon Inc	400,000
Artic Co-operative Ltd	450,000
Simon Day Ltd	150,756
Canada Wire and Cable Ltd	230,625
	$ 29,426,628

The valuation allowance of $10,073,275 which has been shown against the advances made to the Manitoba Development Corporation is made up as follows:

A.E. McKenzie Co Ltd	$ 6,832,800
Development Agreements	3,240,475
	$ 10,073,275

At October 31, 1985 A.E. McKenzie Co. Ltd. had an accumulated deficit of $6,947,300 which has been provided for as follows:

Manitoba Development Corporation – Advances	$ 6,832,800
A.E. McKenzie Co. Ltd. – Common Shares	114,500
	$ 6,947,300

NOTE 2: Advances made to the Manitoba Hog Producers' Marketing Board were for the purpose of providing funds to The Manitoba Hog Income Stabilization Plan.

NOTE 3: The Manitoba Development Corporation (MDC) disposed of it's long term investment in Flyer Industries Limited. Ownership of Flyer Industries has been transferred to BV Carrosseriefabriek Den Oudsten En Zonen of Woerden, Holland effective July 15, 1986.

The accumulated operating losses of Flyer Industries Limited have been recognized annually in the accounts of MDC by means of an allowance for potential losses. The resulting decrease in the value of the MDC capital stock owned by the Province has been provided for by the Province through a valuation allowance placed against these shares ($43.5 million at March 31, 1985). The sale to Den Oudsten has resulted in the recognition of the permanent reduction in the value of MDC capital stock, which has been written down to one dollar. At March 31, 1986, MDC had an accumulated deficit of $56 million which was $6 million greater than the write-down of MDC capital stock. The difference could not be included in the valuation allowance because this amount had not been funded by the Province at this date.

GOVERNMENT OF THE PROVINCE OF MANITOBA

AMOUNT OWING TO THE TRUST FUND

As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
Amount Advanced From The Trust Fund	$ 487,889,264	$ 525,858,331

Primarily surplus cash of Crown Corporations, Agencies, Boards and Commissions on deposit with the Minister of Finance for investment, but not specifically invested. The Government's policy with respect to money management requires that all short-term investments be made in the Operating Fund regardless of the source of the money. At any time the aggregate amount and average term of short-term investments may or may not equal the aggregate amount and average term of the trust funds on deposit with the Government. At March 31, 1986, the amount of Temporary and other Investments exceeded the amount advanced from the Trust Fund by $319,888,918.

GOVERNMENT OF THE PROVINCE OF MANITOBA

ACCOUNTS PAYABLE, ACCRUED CHARGES AND FUNDS SUBJECT TO CALL

As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
ACCOUNTS PAYABLE:		
Cheques issued subsequent to March 31, in settlement of accounts payable for goods received and services rendered prior to that date.	$ 146,006,647	$ 112,123,690
Government of Canada – Established Programs Cash Transfer	9,200,000	–
Manitoba Savings Bonds Matured but Not Presented for Payment	76,400	111,700
Debenture Coupons Due but not Presented	130,969	108,725
Foreign Exchange Account – U.S. Dollars	122,886	205,531
Sundry	195,510	68,885
	$ 155,732,412	$ 112,618,531
ACCRUED CHARGES:		
Interest Accrued on Provincial Debentures, Savings Bonds, Treasury Bills and Trust Funds, less amounts thereof Payable by Crown Corporations or other entities	$ 136,233,706	$ 121,669,888
FUNDS SUBJECT TO CALL:		
Government of Canada–Advances re:		
Shared–cost programs not yet claimed		
Fur Trapper Services	$ 117,746	$ 89,072
Hillridge School	156,067	156,067
Industrial Development	214,777	104,212
Limestone Employment and Training	1,778,262	–
Northern Development	–	870
Transportation	2,579	–
Value Added Crops	1,055	–
	$ 2,270,486	$ 350,221
	$ 294,236,604	$ 234,638,640

GOVERNMENT OF THE PROVINCE OF MANITOBA
BORROWINGS

As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
Bonds and Debentures	$ 4,318,680,372	$ 3,616,842,740
Canada Pension Plan	1,676,621,000	1,552,737,000
Government of Canada	172,926,608	171,730,471
Treasury Bills	325,000,000	130,000,000
	$ 6,493,227,980	$ 5,471,310,211
Less: Debentures Issued Under Financial Assistance Agreements		
Credit Union Stabilization Fund	$ 25,000,000	$ 25,000,000
Les Fonds de Securite des Caisses Populaires	4,500,000	4,500,000
	$ 29,500,000	$ 29,500,000
Total Borrowings	$ 6,463,727,980	$ 5,441,810,211
Less:		
Unamortized Debt Issue Costs	28,460,861	—
	$ 6,435,267,119	$ 5,441,810,211

The amount for Bonds and Debentures includes debentures in the amount of $29.5 million which were issued under agreements with the Credit Union Stabilization Fund and Les Fonds de Securite des Caisses Populaires. Under these agreements the Credit Union Stabilization Fund and Les Fonds de Securite des Caisses Populaires received advances of $25.0 million and $4.5 million respectively in the form of provincial debentures which are required to be cancelled at maturity in settlement of the advances. The debentures remain in the custody of the Province. The purpose of these transactions was to provide financial assistance to the aforementioned entities during the five year period July 7, 1982 to July 7, 1987. The assistance provided to these entities is consistent with the interest provision of 14 7/8% stated for the debentures. The annual assistance is charged to an appropriation voted for this purpose in the Department of Co-operative Development.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SINKING FUNDS PROVIDED

As at March 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986 Cash	March 31, 1986 Investments	March 31, 1986 Total	March 31, 1985 Cash	March 31, 1985 Investments	March 31, 1985 Total
Provided from Provincial Contributions	$ 197,685,768	$ 559,212,558	$ 756,898,326	$ 160,921,877	$ 396,958,712	$ 557,880,589
Crown Corporation Sinking Funds Relevant to Debt Incurred by the Province (Note 2):						
Manitoba Hydro-Electric Board	40,832,096	53,568,733	94,400,829	40,792,481	41,177,964	81,970,445
Manitoba Telephone System	11,287,432	3,361,970	14,649,402	9,597,651	5,432,882	15,030,533
Manitoba Housing and Renewal Corporation	3,470,272	2,306,349	5,776,621	1,963,463	3,224,638	5,188,101
	$ 253,275,568	$ 618,449,610	$ 871,725,178	$ 213,275,472	$ 446,794,196	$ 660,069,668

NOTE 1: In addition to the Sinking Funds shown above, Crown Corporations have accumulated further Sinking Funds pertaining to their own direct debt. These Sinking Funds are held by the Minister of Finance and are shown in the Trust Fund and have been allocated between debt guaranteed by the Province of Manitoba and debt not so guaranteed in proportions as follows:

	March 31, 1986 Guaranteed Debt	March 31, 1986 Non-Guaranteed Debt	March 31, 1985 Guaranteed Debt	March 31, 1985 Non-Guaranteed Debt
Manitoba Hydro-Electric Board	$ 211,927,589	$ -	$ 214,138,528	$ -
Manitoba Telephone System	37,837,858	-	34,301,184	-
Manitoba Water Services Board	1,477,164	-	1,362,879	-
Manitoba Housing and Renewal Corporation	-	5,750,412	-	4,476,798
University of Manitoba	11,077,833	-	10,148,874	-
	$ 262,320,444	$ 5,750,412	$ 259,951,465	$ 4,476,798

NOTE 2: These Sinking Funds have been provided for repayment of the debt used to fund advances to these entities and are therefore deducted from both the advance amounts and the applicable debt.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF SERIAL DEBENTURES OF SCHOOL DIVISIONS AND DISTRICTS, TRANSFERRED FROM THE MANITOBA SCHOOL CAPITAL FINANCING AUTHORITY

As at March 31, 1986
(with comparative figures for March 31, 1985)

Interest Rate %	March 31, 1986	March 31, 1985
5.75	$ 1,601,797	$ 3,061,621
7.00	2,899,084	3,778,853
7.50	4,374,082	4,935,775
7.75	9,149,268	10,300,306
8.00	8,909,175	9,993,927
8.25	11,293,945	13,177,305
8.50	5,402,104	6,221,627
9.00	5,593,664	5,987,780
9.25	43,007,587	45,132,651
9.50	8,601,324	8,980,779
9.75	14,569,539	15,339,409
10.25	6,686,246	6,900,643
10.50	6,766,674	7,007,674
10.75	39,588,143	40,576,776
13.00	7,462,731	7,649,165
	$ 175,905,363	$ 189,044,291

The School Capital Financing Authority Act was repealed April 1, 1983 at which date all investments and money held by the Authority, as well as debt payable by the Authority, were assumed by the Government. The investments transferred to the Government consisted of serial debentures issued by school divisions and districts for which the Government is primarily responsible for repayment. Accordingly, an annual appropriation is made in the Consolidated Fund to cover the principal and interest costs of these debentures.

The cash drawn from this appropriation for the required annual principal repayments is transferred to the Province's sinking fund where it will be used for repayment of the debt assumed from the Authority. A similar treatment would be accorded any proceeds from the sale of the school debentures.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SECURITIES RECEIVED FROM THE SALE OF LAND AND BUILDINGS TO MANITOBA PROPERTIES INC.

AS AT MARCH 31, 1986
(with comparative figures for March 31, 1985)

	March 31, 1986	March 31, 1985
Shares of Manitoba Properties Leasing Inc. 170,493,391 common shares	$ 149,044,734	$ 100,038,158
Shares of Manitoba Properties Management Inc. 170,493,391 common shares	149,044,734	100,038,158
	$ 298,089,468	$ 200,076,316
Less: Special Valuation Account	298,059,368	200,056,316
	$ 30,100	$ 20,000
Promissory Notes of Manitoba Properties Inc:		
13% payable quarterly, due July 31, 1994	$ 128,977,631	$ 128,977,631
10% payable quarterly, due July 31, 1994	52,730,492	-
	$ 181,708,123	$ 128,977,631
	$ 181,738,223	$ 128,997,631

NOTE: During the fiscal years ended March 31, 1985 and March 31, 1986, the Province sold land and buildings with an aggregate value of $916,588,539 to two Crown Corporations, Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. Under the purchase arrangement, the properties were resold to Manitoba Properties Inc. at the same price. For the fiscal years ended March 31, 1985 and March 31, 1986 the Province received the following consideration for the above noted sale:

	March 31, 1986	March 31, 1985
Common Shares of Manitoba Properties Leasing Inc.	$ 65,859,943	$ 104,633,448
Common Shares of Manitoba Properties Management Inc.	65,859,943	104,633,448
Promissory Notes of Manitoba Properties Inc. due July 31, 1994	52,730,492	128,977,631
Cash	199,143,125	194,750,509
Total Proceeds	$ 383,593,503	$ 532,995,036
Less: Allocation of Proceeds to Special Valuation Account	131,709,786	209,246,896
Balance of Proceeds Applied to Excess of Liabilities Over Financial Assets Account	$ 251,883,717	$ 323,748,140

On resale of the Assets to Manitoba Properties Inc, the two Crown Corporations received common shares of Manitoba Properties Inc. The resale agreement stipulated that Manitoba Properties Inc. would record the issue of these shares in its capital account at a value of $20,000 for shares issued to March 31, 1985 and an additional $10,100 for shares issued to March 31, 1986. For the fiscal years ended March 31, 1985 and March 31, 1986 $209,246,896 and $131,709,786 respectively were designated and accounted for as contributed surplus.

The contributed surplus was subsequently transferred to retained earnings and is available for the payment of annual dividends to preferred shareholders of Manitoba Properties Inc. Payment of dividends from retained earnings has the effect of reducing the value of the Manitoba Properties Inc. shares owned by Manitoba Properties Leasing Inc and Manitoba Properties Management Inc. and would have the collateral effect on the shares in these two corporations owned by the Province. As a result, the Province has allocated a portion of the sale proceeds equal to the contributed surplus to a special valuation account.

This account is used to reflect the diminution in value of the common shares of Manitoba Properties Leasing Inc and of Manitoba Properties Management Inc., as a result of dividends paid to preferred shareholders of Manitoba Properties Inc. As of March 31, 1986, the value shown for the common shares of each of these two Crown Corporations has been reduced by $21,448,657 and the valuation account by $42,897,314 to reflect dividend payments as follows:

Dividends paid by MPI during its fiscal year ended January 31, 1985	$ 9,190,580
Dividends paid by MPI during its fiscal year ended January 31, 1986	33,706,734
	$ 42,897,314

GOVERNMENT OF THE PROVINCE OF MANITOBA
EXCESS OF LIABILITIES OVER FINANCIAL ASSETS
As at March 31, 1986

Balance March 31, 1985		$ 2,256,022,899
Prior Years' adjustment due to changes in Accounting Policies (Note 1)		
Foreign Exchange Losses	$ 256,429,710	
Accrued Interest Payable – Trust Funds	4,496,586	
Accrued Interest Receivable – Investments	(24,240,079)	
Amortization of Investment (Discount) Premium on Province of Manitoba Sinking Funds	(19,527,559)	
Amortization of Debt Discount on Province of Manitoba Borrowings	(27,714,057)	189,444,601
		$ 2,445,467,500
Write down of Manitoba Development Corporation Common Shares (Note 2)	$ 49,999,999	
Write-off of Loan to Canadian Co-operative Implements Ltd. (Note 3)	2,975,000	52,974,999
		$ 2,498,442,499
Deduct		
Proceeds from the Sale of Land and Buildings to Manitoba Properties Inc. (Note 4)		251,883,717
		$ 2,246,558,782
Excess of Expenditure over Revenue for the fiscal year ended March 31, 1986		528,271,105
		$ 2,774,829,887
Add		
Increase in Valuation Allowance		
March 31, 1986 Balance	$ 193,008,353	
March 31, 1985 Balance	173,648,518	19,359,835
Balance March 31, 1986		$ 2,794,189,722

NOTE 1: Accounting policy changes were made during the fiscal year in order that Public Debt costs would be recorded on an accrual basis rather than the modified cash basis previously followed. These changes resulted in a net increase of $189,444,601 to the Excess of Liabilities Over Financial Assets Account.

NOTE 2: The Manitoba Development Corporation (MDC), whose capital stock is wholly owned by the Province, has disposed of it's long term investment in Flyer Industries Limited. Ownership of Flyer Industries has been transferred to BV Carrosseriefabriek Den Oudsten En Zonen of Woerden, Holland effective July 15, 1986.

The accumulated operating losses of Flyer Industries Limited have been recognized annually in the accounts of MDC by means of an allowance for potential losses. The resulting decrease in the value of the MDC capital stock owned by the Province has been provided for by the Province through a valuation allowance placed against these shares ($43.5 million at March 31, 1985). The sale to Den Oudsten has resulted in the recognition of the permanent reduction in the value of MDC capital stock, which has been written down to one dollar.

NOTE 3: Loans in the aggregate amount of $2,975,000 have been deemed uncollectible by the Province and have been written off pursuant to authority provided under the Financial Administration Act.

NOTE 4: During the fiscal year ended March 31, 1986, the Province sold additional land and buildings valued at $383,593,503 to two Crown Corporations, Manitoba Properties Leasing Inc and Manitoba Properties Management Inc. Under the purchase arrangement, the properties were resold to Manitoba Properties Inc at the same price. The Province received the following consideration for the properties sold:

Common Shares of Manitoba Properties Leasing Inc.	$ 65,859,943
Common Shares of Manitoba Properties Management Inc.	65,859,943
Promissory Notes of Manitoba Properties Inc due July 31, 1994	52,730,492
Cash	199,143,125
Total Proceeds	$ 383,593,503
Less:	
Allocation of Proceeds to Special Valuation Account	131,709,786
Balance of Proceeds Applied to Excess of Liabilities Over Financial Assets Account	$ 251,883,717

BORROWINGS, GUARANTEED AND INDIRECT LIABILITY STATEMENTS

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GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF VALUATION AND PURPOSE OF BORROWINGS

as at March 31, 1986
(in thousands)

Valuation of Debt	Par Value	Canadian Dollar Equivalent at Date of Issue	as at March 31, 1986			
			Exchange Rate	Canadian Dollar Valuation	Amortized Book Value	Unamortized Foreign Exchange Fluctuation
Direct Debt Payable in:						
Canadian Dollars	3,419,590	$ 3,419,590	$1.00	$ 3,419,590	$ 3,419,590	$ –
U.S. Dollars	1,204,000	1,464,096	1.3973	1,682,349	1,539,911	142,438
Swiss Francs	1,084,000	606,132	0.7160	776,144	604,426	171,718
European Units of Account	4,000	4,320	2.9242	11,697	8,243	3,454
Japanese Yen (Note 1)	132,700,000	709,864	0.007472	991,499	723,911	267,588
Deutsche Marks	600,000	289,226	0.5959	357,540	288,170	69,370
Total Direct Debt		$ 6,493,228		$ 7,238,819	$ 6,584,251	$ 654,568
Guaranteed Debt Payable in:						
Canadian Dollars	1,078,591	$ 1,078,591	$1.00	$ 1,078,591	$ 1,078,591	$ –
U.S. Dollars	773,000	772,490	1.3973	1,080,113	880,154	199,959
Swiss Francs	160,000	85,354	0.7160	114,560	93,233	21,327
Deutsche Marks	22,582	6,915	0.5959	13,457	9,900	3,557
Total Guaranteed Debt		$ 1,943,350		$ 2,286,721	$ 2,061,878	$ 224,843
Total Direct & Guaranteed Debt		$ 8,436,578		$ 9,525,540	$ 8,646,129	$ 879,411
Purpose of Debt						
General Government Programs		$ 3,761,580		$ 4,218,280	$ 3,802,817	$ 415,463
Other:						
The Manitoba Hydro-Electric Board		$ 2,979,564		$ 3,570,034	$ 3,147,878	$ 422,156
The Manitoba Telephone System		648,358		690,150	648,358	41,792
Manitoba Properties Inc.		399,143		399,143	399,143	–
The Manitoba Agricultural Credit Corporation		188,914		188,914	188,914	–
Manitoba Jobs Fund Programs		159,165		159,165	159,165	–
The Manitoba Housing & Renewal Corporation		113,549		113,549	113,549	–
Manfor Ltd.		81,920		81,920	81,920	–
The Manitoba Beef Stabilization Fund		21,000		21,000	21,000	–
The Manitoba Water Services Board		17,749		17,749	17,749	–
University of Manitoba		17,405		17,405	17,405	–
Federal-Provincial Loan Agreements		10,611		10,611	10,611	–
Emergency Interest Rate Relief Program		9,000		9,000	9,000	–
Manitoba Mineral Resources Ltd.		8,400		8,400	8,400	–
The Manitoba Hog Income Stabilization Plan		7,600		7,600	7,600	–
Manitoba Data Services		5,094		5,094	5,094	–
The Manitoba Oil & Gas Corporation		5,000		5,000	5,000	–
Municipal, Hospital & Other Indebtedness		1,526		1,526	1,526	–
Venture Capital Program		1,000		1,000	1,000	–
		$ 4,674,998		$ 5,307,260	$ 4,843,312	$ 463,948
Total Direct & Guaranteed Debt		$ 8,436,578		$ 9,525,540	$ 8,646,129	$ 879,411

Refer to notes on following page.

NOTE 1: The March 31, 1986 Canadian Dollar Valuation of the Province's Japanese Yen Debt is based on 107.2 billion Japanese Yen converted at a rate of $ 0.007873 Canadian and U.S. $ 105.57 million (representing 25.5 billion Japanese Yen covered under currency exchange agreements) converted at a rate of $ 1.3973 Canadian. Calculation may differ due to rounding.

NOTE 2: The Government has acquired certain of the above foreign currency bonds through its Sinking Fund Management Program. The following bonds were held in the various Sinking Funds at March 31, 1986 (in thousands):

	Par Value	Canadian Dollar Equivalent at Date of Issue	Canadian Dollar Valuation March 31, 1986	Amortized Book Value	Unamortized Foreign Exchange Fluctuation
Bonds Payable in:					
U.S. Dollars	66,439	$ 69,136	$ 92,835	$ 81,298	$ 11,537
Deutsche Marks	113	35	67	50	17
		$ 69,171	$ 92,902	$ 81,348	$ 11,554

GOVERNMENT OF THE PROVINCE OF MANITOBA

BORROWINGS OUTSTANDING

As at March 31, 1986

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)	Amount Outstanding as at March 31, 1986		References
Debenture Loans							
(A) **Payable in Canadian Dollars:**							
10Z	Mar. 31, 1987–99		1979	10.125	$ 4,380,984		
AD	May 15, 1986		1983	10.35	100,000,000		
CU	July 7, 1987		1982	14.875	29,500,000		
11M	Oct. 13, 1987		1982	13.25	150,000,000		(1)
11G	Mar. 25, 1988		1982	15.75	75,000,000		
10V	Dec. 1, 1988		1978	9.75	75,000,000		
11D	Mar. 31, 1991		1981	13.75	110,000,000		
11J	Mar. 31, 1992		1982	15.25	40,000,000		(2)
11R	Mar. 15, 1993		1983	11.75	275,000,000		(1)
9R	Oct. 1, 1993	(1989)	1973	8.75	31,000,000		
AF	Apr. 25, 1994		1984	12.00	50,000,000		
AK	Aug. 30, 1994		1984	13.50	50,000,000		
AN	May 15, 1995		1985	11.50	150,000,000		(1)
AU	Nov. 27, 1995		1985	10.10	50,000,000		
9G	Jan. 1, 1996	(1993)	1966	5.75	10,000,000		
10T	May 15, 1998	(1993)	1978	9.75	16,700,000		
11A	Aug. 1, 1999	(1996)	1979	10.25	5,000,000		
9X	Dec. 5, 1999	(1989)	1974	10.00	20,000,000	$ 1,241,580,984	
(B) **Payable in U.S. Dollars:**							
10X	May 1, 1986–89	(1984)	1979	9.625	$ 57,097,674 (a)		
10W	Mar. 15, 1989		1979	9.50	89,450,600 (c)		
11L	Sept. 29, 1989		1982	13.75	122,741,073 (i)		
11N	Nov. 15, 1989		1982	11.75	153,407,000 (j)		
AA	June 15, 1990		1983	10.50	123,081,000 (i)		
AV	Feb. 11, 1991		1986	8.75	175,562,500 (j)		
11E	July 1, 1991		1981	14.75	179,861,085 (g)		
9J	Nov. 1, 1993	(1983)	1968	6.875	53,613,647 (a)		
9K	Apr. 1, 1994	(1984)	1969	7.875	37,692,104 (d)		
9U	May 1, 1994		1974	8.375	23,445,900 (e)		(3)
AM	Oct. 10, 1994		1984	12.50	131,670,000 (i)		
9M	Nov. 15, 1994	(1984)	1969	8.875	53,734,680 (a)		
10D	Nov. 15, 1995		1975	9.625	20,137,500 (b)		
11H	Mar. 15, 1997	(1994)	1982	14.75	242,600,800 (h)	1,464,095,563	
(C) **Payable in Swiss Francs:**							
10G	Mar. 15, 1987–88		1976	7.375	$ 12,512,525 (m)		
AC	Nov. 1, 1988	(1986)	1983	5.625	116,700,000 (l)		
11F	Feb. 22, 1992	(1988)	1982	7.00	63,760,000 (k)		
10L	May 12, 1992	(1983)	1977	5.50	29,901,600 (n)		
11P	Nov. 4, 1992	(1987)	1982	5.625	56,127,800 (k)		
11Q	Mar. 1, 1993	(1988)	1983	5.25	60,180,000 (k)		
10R	May 18, 1993	(1984)	1978	4.00	45,203,920 (o)		
AB	Nov. 1, 1993	(1988)	1983	5.50	58,350,000 (k)		
AH	June 6, 1994	(1989)	1984	5.75	57,240,000 (k)		
AQ	June 26, 1997	(1990)	1985	5.50	106,156,000 (l)	606,131,845	
(D) **Payable in European Units of Account:**							
9L	June 17, 1986–89	(1980)	1969	7.00	$ 4,320,000 (p)	4,320,000	(4)
	Carried Forward					$ 3,316,128,392	

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)	Amount Outstanding as at March 31, 1986			References
	Brought Forward						$ 3,316,128,392	
(E) Payable in Japanese Yen:								
10J	Feb. 28, 1987	(1983)	1977	8.60	$ 26,640,000	(q)		
10Q	Jan. 30, 1987–90	(1984)	1978	6.70	48,144,075	(r)		(7)
11V	Apr. 26, 1988–93	(1988)	1983	8.70	51,540,000	(s)		
11K	July 30, 1988–92	(1988)	1982	8.60	75,317,505	(t)		(8)
11U	June 24, 1989–93	(1989)	1983	8.10	76,920,000	(t)		
AG	May 31, 1989–94	(1989)	1984	8.10	55,892,600	(s)		
AJ	July 27, 1989–94	(1989)	1984	8.10	81,165,000	(t)		
AE	Mar. 18, 1990–94	(1990)	1984	7.50	84,975,000	(t)		
AT	Nov. 18, 1990–95	(1990)	1985	7.10	100,890,000	(t)		
AP	Apr. 19, 1991–95	(1991)	1985	7.40	108,380,000	(u)	709,864,180	
(F) Payable in Deutsche Marks:								
11T	May 1, 1993		1983	7.375	$ 100,366,000	(v)		
AL	Oct. 1, 1994		1984	7.625	86,900,000	(v)		
AS	Nov. 1, 1995		1985	6.375	101,960,000	(v)	289,226,000	
	Total Debentures						$ 4,315,218,572	
Savings Bonds (Payable in Canadian Dollars):								
9S	June 1, 1986		1976	9.50	$ 903,100			
10S	June 1, 1987		1977	8.25	1,059,900			
11S	June 1, 1988		1978	8.75	957,900			
12S	July 1, 1989		1979	9.50	540,900		3,461,800	
	Total Bonds and Debentures						$ 4,318,680,372	
Canada Pension Plan (Payable in Canadian Dollars):								
CPP	Various 1986–2006		1966–86	5.36–17.51	$ 1,676,621,000		1,676,621,000	(5)
Government of Canada (Payable in Canadian Dollars):								
GC	Various 1986–1999		1973–79	6.51–10.75	$ 9,362,615			
MW	Various 1986–1998		1965–69	5.25–5.625	3,730,458			
TP	April 1, 1986–1998		1975–78	7.5575–9.9448	3,815,293			
Hydro Transmission Line Agreement					148,992,100			
Agricultural Service Centres Agreement					6,385,050			
Brandon Special Area Agreement					641,092		172,926,608	
Treasury Bills (Payable in Canadian Dollars):								
3	Various 1986		1986	Nil	$ 325,000,000		325,000,000	(6)
Total Borrowings							$ 6,493,227,980	

Notes:

The Canadian Dollar Equivalent at time of issue of:

(a)	50,000,000	U.S. Dollars	(l)	200,000,000	Swiss Francs
(b)	20,000,000	U.S. Dollars	(m)	32,000,000	Swiss Francs
(c)	75,000,000	U.S. Dollars	(n)	72,000,000	Swiss Francs
(d)	35,000,000	U.S. Dollars	(o)	80,000,000	Swiss Francs
(e)	24,000,000	U.S. Dollars	(p)	4,000,000	Europeon Units of Account
(f)	30,000,000	U.S. Dollars	(q)	7.2 Billion	Japanese Yen
(g)	150,000,000	U.S. Dollars	(r)	10.5 Billion	Japanese Yen
(h)	200,000,000	U.S. Dollars	(s)	10 Billion	Japanese Yen
(i)	100,000,000	U.S. Dollars	(t)	15 Billion	Japanese Yen
(j)	125,000,000	U.S. Dollars	(u)	20 Billion	Japanese Yen
(k)	100,000,000	Swiss Francs	(v)	200,000,000	Deutsche Marks

References:

1. The Province may issue additional debentures under authority of the Lieutenant Governor in Council.
2. Redeemable at the option of the holder on March 31, 1987.
3. Redeemable at the option of the holder on May 1, 1986.
4. Redeemable at the option of the holder on or after June 17, 1984.
5. Held by and callable at par at the option of the Minister of Finance of Canada on 6 months notice.
6. 91–day Treasury Bills issued to the public in the amount of $ 25,000,000 weekly.
7. The Province has entered into a currency exchange agreement for the conversion of this Japanese Yen liability to U.S. $ 45.9 million, thus changing the Province's foreign exchange risk of this issue from Japanese Yen to U.S. Dollars through maturity.
8. The Province has entered into a currency exchange agreement for the conversion of this Japanese Yen liability to U.S. $ 59.6 million, thus changing the Province's foreign exchange risk of this issue from Japanese Yen to U.S. Dollars through maturity.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SECURITIES GUARANTEED

As at March 31, 1986
(in thousands)

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)	Amount Outstanding As at March 31, 1986	
Debt of Self-Supporting Utilities, Cities and Towns:						
The Manitoba Hydro-Electric Board						
Debenture Loans:						
(A) **Payable in Canadian Dollars:**						
2H	Oct. 1, 1986	(1983)	1966	6.25	$ 20,000	
2N	Nov. 15, 1987	(1985)	1967	7.00	7,300	
2E	Mar. 1, 1988	(1985)	1965	5.25	20,000	
2J	Feb. 1, 1989	(1986)	1967	6.25	25,000	
2Q	Apr. 1, 1990	(1988)	1970	9.00	3,277	
2S	Apr. 1, 1991	(1989)	1971	8.00	40,000	
2U	Sept. 15, 1991	(1989)	1971	8.50	35,000	
2V	Oct. 15, 1991	(1989)	1971	8.00	10,000	
2Y	Apr. 5, 1992	(1990)	1972	7.875	50,000	
2K	Apr. 15, 1992	(1988)	1967	6.00	35,000	
2Z	Aug. 31, 1992	(1990)	1972	8.25	40,000	
2L	Sept. 1, 1992	(1989)	1967	6.50	20,000	
2P	Aug. 1, 1993	(1989)	1968	7.25	25,000	
3G	June 10, 1994	(1989)	1974	10.00	47,000	
3B	Aug. 1, 1998	(1993)	1973	8.375	35,000	
3D	Dec. 17, 1998	(1993)	1973	8.375	40,000	$ 452,577
(B) **Payable in U.S. Dollars:**						
1U	Mar. 1, 1988	(1975)	1963	4.875	$ 26,927(b)	
1Z	Oct. 1, 1989	(1974)	1964	4.50	26,914(b)	
2F	Nov. 1, 1990	(1980)	1965	4.75	9,680(c)	
2G	Nov. 15, 1990	(1980)	1965	4.75	4,836(d)	
3A	Oct. 15, 1997	(1987)	1972	7.65	58,929(e)	
3M	June 30, 2001	(1991)	1976	9.25	121,470(a)	
3C	Oct. 15, 2003	(1988)	1973	8.00	59,803(e)	
3E	June 15, 2004	(1989)	1974	9.25	97,213(f)	
3H	Dec. 1, 2004	(1989)	1974	9.375	98,959(f)	
3L	Jan. 15, 2006	(1991)	1976	9.25	125,405(a)	
3N	Dec. 1, 2006	(1991)	1976	8.625	126,774(a)	756,910
(C) **Payable in Swiss Francs:**						
3K	Nov. 10, 1990	(1981)	1975	7.75	$ 31,074(h)	31,074
(D) **Payable in Deutsche Marks:**						
2X	June 1, 1986–87	(1978)	1972	6.75	$ 6,915(i)	6,915
	Total Debentures					$ 1,247,476
Notes - Payable in Canadian Dollars:						
	Various 1986		1986	11.00–11.24	$ 26,000	26,000
	Carried Forward					$ 1,273,476

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)		Amount Outstanding as at March 31, 1986
	Brought Forward					$ 1,273,476
The Manitoba Telephone System						
Debenture Loans:						
(A) **Payable in Canadian Dollars:**						
1C	Dec. 2, 1986	(1984)	1963	5.50	$ 12,500	
1J	Feb. 15, 1989		1969	7.75	10	
1M	Sept. 15, 1989	(1987)	1969	8.00	108	
1N	Nov. 15, 1991	(1989)	1971	7.875	20,000	
1F	Dec. 1, 1991	(1988)	1966	6.25	20,000	
1G	Feb. 15, 1993	(1989)	1968	7.00	20,000	
1P	Mar. 15, 1993	(1991)	1973	7.875	10,000	
1T	July 2, 1995	(1993)	1975	10.00	10,000	
1U	May 1, 1996	(1994)	1976	10.50	20,000	
1S	Mar. 1, 1999	(1994)	1974	8.75	37,000	$ 149,618
(B) **Payable in U.S. Dollars:**						
1E	Jan 15, 1991	(1986)	1966	5.00	$ 15,580(g)	15,580
(C) **Payable in Swiss Francs:**						
1V	Jan. 3, 1992	(1989)	1986	5.00	$ 54,280(h)	54,280
	Total Debentures					$ 219,478
Notes – Payable in Canadian Dollars:						
	Various 1986		1986	10.00	$ 30,614	30,614
						$ 250,092
The Manitoba Water Services Board						
Debentures Payable to Receiver General for Canada – Payable in Canadian Dollars and redeemable on six months notice:						
CPP	Apr. 1, 1986		1966	5.42	$ 2,954	
CPP	June 2, 1989		1969	7.26	3,023	$ 5,977
Bonds of Various Cities and Towns						
Debentures Payable to Receiver General for Canada – Payable in Canadian Dollars:						
	Mar. 23, 1987–93		1973	6.98	$ 1,068	$ 1,068
Total Self-Supporting Guaranteed Debt						$ 1,530,613
Debt of Crown Corporations whose main source of income is the Consolidated Fund:						
Manitoba Properties Inc.						
Series A – 9.25% Cumulative Redeemable Retractable Preferred Shares					$ 399,143	$ 399,143
Debt of Hospitals and Institutions on which the debt servicing costs including principal repayments are paid in whole or in part from the Consolidated Fund:						
The University of Manitoba						
Debenture Loans Payable in Canadian Dollars:						
1R	Apr. 15, 1986–2001		1971	7.50	$ 1,548	
1L	June 1, 1986–Dec. 1, 1994		1964	5.125	453	
1N	June 1, 1986–Dec. 1, 1994		1964	5.125	635	
1H	Oct. 15, 1987	(1977)	1962	5.625	2,500	
1Q	Feb. 15, 1992	(1987)	1967	5.75	5,000	
1P	Dec. 15, 1995	(1985)	1965	5.50	3,000	$ 13,136
Bonds of Various Hospitals and Institutions Payable in Canadian Dollars:						
	Various 1986–91		1961	5.50–5.75	$ 458	458
Total Guaranteed Debt serviced in whole or in part from the Consolidated Fund						$ 13,594
Total Securities Guaranteed						$ 1,943,350

Sinking Funds Applicable to Securities Guaranteed (held in Trust Fund):

Manitoba Hydro-Electric Board	$ 211,928	
Manitoba Telephone System	37,838	
Manitoba Water Services Board	1,477	
University of Manitoba	11,078	$ 262,321

Notes:

The Canadian Dollar Equivalent at time of issue of:

(a)	125,000,000	U.S. Dollars	(f)	100,000,000	U.S. Dollars
(b)	25,000,000	U.S. Dollars	(g)	14,500,000	U.S. Dollars
(c)	9,000,000	U.S. Dollars	(h)	80,000,000	Swiss Francs
(d)	4,500,000	U.S. Dollars	(i)	22,582,000	Deutsche Marks
(e)	60,000,000	U.S. Dollars			

GOVERNMENT OF THE PROVINCE OF MANITOBA

CHANGES IN BORROWINGS

During the Year Ended March 31, 1986

	March 31, 1986	March 31, 1985	Increase or (Decrease)
Province of Manitoba:			
Bonds and Debentures	$ 4,318,680,372	$ 3,616,842,740	$ 701,837,632
Canada Pension Plan	1,676,621,000	1,552,737,000	123,884,000
Government of Canada	172,926,608	171,730,471	1,196,137
Treasury Bills	325,000,000	130,000,000	195,000,000
	$ 6,493,227,980	$ 5,471,310,211	$ 1,021,917,769
Increases:			
Bonds and Debentures:			
Series "AN" $150,000,000 11.50% dated May 15, 1985 maturing May 15, 1995.			
– Purpose: Funding Manitoba Telephone System Notes		$ 26,225,000	
Advances to Manitoba Telephone System		23,775,000	
General Government Programs		100,000,000	$ 150,000,000
Series "AP" 20,000,000,000 Japanese Yen, 7.40% dated April 19, 1985 maturing April 19, 1991 – 95.			
– Purpose: Funding Manitoba Hydro Notes		$ 6,000,000	
Advances to Manitoba Hydro		102,380,000	108,380,000
Series "AQ" 200,000,000 Swiss Francs, 5.50% dated June 26, 1985 maturing June 26, 1997.			
– Purpose: Funding Manitoba Hydro Notes		$ 67,000,000	
Advances to Manitoba Hydro		39,156,000	106,156,000
Series "AS" 200,000,000 Deutsche Marks, 6.375% dated October 31, 1985 maturing November 1, 1995.			
– Purpose: General Government Programs			101,960,000
Series "AT" 15,000,000,000 Japanese Yen, 7.10% dated November 18, 1985 maturing November 18, 1990–95.			
– Purpose: Funding Advances previously made to:			
Manitoba Telephone System		$ 55,000,000	
Manitoba Agricultural Credit Corporation		29,600,000	
General Government Programs		16,290,000	100,890,000
Series "AU" $50,000,000, 10.10% dated November 27, 1985 maturing November 27, 1995.			
– Purpose: Manitoba Jobs Fund			50,000,000
Series "AV" U.S. $125,000,000, 8.75% dated February 11, 1986 maturing February 11, 1991.			
– Purpose: Refunding Series "AR" (advances – Manitoba Hydro)		$ 170,062,500	
General Government Programs		5,500,000	175,562,500
			$ 792,948,500
Canada Pension Plan:			
Series "CPP" $125,961,000, 10.58% – 12.57% issued during 1985–86 maturing 2005–06.			
– Purpose: Manfor Ltd.		$ 45,400,000	
Manitoba Jobs Fund		24,700,000	
Manitoba Beef Stabilization Fund		11,000,000	
Manitoba Hog Income Stabilization Plan		2,600,000	
Refunding Manitoba Water Services Board Series "CPP" No. 1		2,075,000	
Funding Advances previously made to:			
Manitoba Agricultural Credit Corporation	$ 31,404,846		
Manitoba Housing and Renewal Corporation	5,375,846		
Manitoba Water Services Board	3,405,308		
Carried Forward		40,186,000	125,961,000
			$ 918,909,500

Brought Forward			$ 918,909,500
Government of Canada:			
Hydro Transmission Line Agreement		$ 4,923,355	
Agricultural Service Centres Agreement		418	4,923,773
Treasury Bills and Notes:			
Series "3" $195,000,000 91-day Discounted Treasury Bills. Weekly issues increased from $10,000,000 to $25,000,000 commencing July 3, 1985. - Purpose: General Government Programs		$ 195,000,000	
Series "AR" U.S. $125,000,000 Promissory Notes, 8.0625% - 8.375% dated October 1, 1985 maturing February 11, 1986. - Purpose: Refunding Series "3J" (Manitoba Hydro)	$ 113,150,000		
Advances to Manitoba Hydro	56,912,500	170,062,500	365,062,500
TOTAL INCREASE			$ 1,288,895,773
Decreases:			
Bonds and Debentures:			
Debentures:			
Series "9L" 1,000,000 European Units of Account matured June 17, 1985	$ 1,080,000		
Series "9Z" U.S. $30,000,000 called April 1, 1985	30,049,500		
Series "10A" $3,000,000 matured April 30, 1985	3,000,000		
Series "10B" U.S. $3,000,000 matured April 30, 1985	3,055,200		
Series "10E" 26,290,000 European Units of Account matured December 8, 1985	33,260,352		
Series "10G" 16,000,000 Swiss Francs matured March 15, 1986	6,256,262		
Series "10J" 1,200,000,000 Japanese Yen matured February 28, 1986	4,440,000		
Series "10Q" 1,500,000,000 Japanese Yen matured January 30, 1986	6,877,725		
Series "10R" 5,000,000 Swiss Francs matured May 18, 1985	2,825,245		
Series "10Z" $160,884 matured March 31, 1986	160,884	$ 91,005,168	
Savings Bonds: Redeemed by registered holder prior to maturity:			
Series "9S"	$ 10,800		
"10S"	29,600		
"11S"	32,800		
"12S"	32,500	105,700	$ 91,110,868
Canada Pension Plan:			
Series "CPP" $2,077,000 matured March 1, 1986			2,077,000
Government of Canada:			
Series "GC"		$ 852,958	
Series "MW"		724,252	
Series "TP"		209,563	
Hydro Transmission Line Agreement		1,610,536	
Agricultural Service Centres Agreement		267,288	
Brandon Special Area Agreement		63,039	3,727,636
Carried Forward			$ 96,915,504

Brought Forward	$ 96,915,504
Treasury Bills and Notes:	
Series “AR” U.S. $125,000,000 Notes matured February 11, 1986	170,062,500
TOTAL DECREASE	$ 266,978,004
NET INCREASE	$ 1,021,917,769

GOVERNMENT OF THE PROVINCE OF MANITOBA

SUMMARY STATEMENT OF BORROWING TRANSACTIONS

For the Year Ended March 31, 1986
(with comparative figures for March 31, 1985)
(in thousands)

	March 31, 1986	March 31, 1985
DEBT ISSUED:		
FOR THE PURPOSE OF:		
General Government Programs	$ 418,750	$ 494,549
The Manitoba Hydro-Electric Board	389,522	20,088
The Manitoba Telephone System	50,000	–
Manfor Ltd.	45,400	25,303
Manitoba Mineral Resources Ltd.	–	2,800
The Manitoba Oil and Gas Corporation	–	5,000
The Manitoba Water Services Board	2,075	–
Manitoba Beef Stabilization Fund	11,000	–
Manitoba Hog Income Stabilization Plan	2,600	5,000
Manitoba Jobs Fund Programs	74,700	42,292
Various Municipalities	1	3
Funding advances previously made to:		
– The Manitoba Telephone System	55,000	–
– The Manitoba Agricultural Credit Corporation	61,005	–
– The Manitoba Housing and Renewal Corporation	5,376	–
– The Manitoba Water Services Board	3,405	–
	$ 1,118,834	$ 595,035
Refunding Matured Provincial Securities Re:		
– The Manitoba Hydro-Electric Board	170,062	43,237
Total Debt Issued	$ 1,288,896	$ 638,272
DEBT RETIRED:		
IN RELATION TO:		
General Government Programs	$ 19,210	$ 26,437
The Manitoba Hydro-Electric Board	208,698	85,890
The Manitoba Telephone System	37,127	19,025
Manitoba Data Services	574	574
The University of Manitoba	161	146
Various Municipalities	1,208	1,201
Total Debt Retired	$ 266,978	$ 133,273
Net Increase In Borrowings	$ 1,021,918	$ 504,999

GOVERNMENT OF THE PROVINCE OF MANITOBA

SINKING FUND INVESTMENTS
As at March 31, 1986

	Par Value	Cost	Sinking Funds Related to Securities Issued by Government Agencies	Sinking Funds Related to Securities Issued by the Province of Manitoba
Province of Manitoba Sinking Fund:				
Government of Canada Bonds	$ 65,306,000	$ 63,778,619	$ –	$ 756,898,326
Province of Manitoba Debentures	133,853,461	130,749,868		
Province of New Brunswick Debentures	125,000	123,459		
Province of Nova Scotia Debentures	100,000	122,482		
Province of Quebec Debentures	775,000	764,721		
Province of Saskatchewan Debentures	22,000,000	20,299,750		
British Columbia Electric Company Limited Bonds	165,000	164,971		
British Columbia Hydro and Power Authority	11,000,000	10,031,136		
British Columbia Power Commission Bonds	25,000	25,000		
Manitoba Hydro-Electric Board Bonds	104,274,890	98,362,021		
Manitoba Telephone System Bonds	21,024,000	18,784,779		
Ontario Hydro Bonds	170,983,000	151,197,085		
Quebec Hydro-Electric Commission Bonds	34,885,000	33,285,423		
Quebec Auto Routes Authority Bonds	260,000	259,468		
Pacific Great Eastern Railway Bonds	450,000	450,000		
University of Manitoba Bonds	2,358,000	2,132,704		
Manitoba Hospital Bonds	7,637,000	7,316,486		
Manitoba Municipal and School Division Bonds	15,991,276	15,864,586		
Chartered Bank - Guaranteed Securities	5,500,000	5,500,000		
	$ 596,712,627	$ 559,212,558		
Short term investments with the Minister of Finance		197,685,768		
		$ 756,898,326		
Manitoba Hydro-Electric Board Sinking Fund:				
Government of Canada Bonds	$ 24,000,000	$ 23,796,250	211,927,589	94,400,829
Province of British Columbia Debentures	2,000,000	1,992,500		
Province of Manitoba Debentures	73,955,743	71,324,087		
Province of Saskatchewan Debentures	3,000,000	2,957,500		
British Columbia Hydro and Power Authority Bonds	15,000	10,434		
Manitoba Hydro-Electric Board Bonds	162,566,866	137,118,935		
Manitoba Telephone System Bonds	5,597,000	4,125,391		
Ontario Hydro Bonds	14,500,000	13,381,975		
University of Manitoba Bonds	250,000	255,000		
Chartered Bank - Guaranteed Securities	10,500,000	10,534,250		
	$ 296,384,609	$ 265,496,322		
Short term investments with the Minister of Finance		40,832,096		
		$ 306,328,418		
Manitoba Telephone System Sinking Fund:				
Province of Manitoba Debentures	$ 13,253,000	$ 13,108,518	37,837,858	14,649,402
Manitoba Hydro-Electric Board Bonds	2,338,000	2,120,402		
Manitoba Telephone System Bonds	28,447,000	23,948,508		
Chartered Bank - Guaranteed Securities	2,000,000	2,022,400		
	$ 46,038,000	$ 41,199,828		
Short term investments with the Minister of Finance		11,287,432		
		$ 52,487,260		
Carried Forward			$ 249,765,447	$ 865,948,557

	Par Value	Cost	Sinking Funds Related to Securities Issued by Government Agencies	Sinking Funds Related to Securities Issued by the Province of Manitoba
Brought Forward			$ 249,765,447	$ 865,948,557
Manitoba Housing and Renewal Corporation Sinking Fund:			5,750,412	5,776,621
Province of Manitoba Debentures	$ 2,496,000	$ 2,455,568		
Manitoba Hydro-Electric Board Bonds	5,972,000	4,460,646		
Manitoba Telephone System Bonds	1,605,000	1,140,547		
	$ 10,073,000	$ 8,056,761		
Short term investments with the Minister of Finance		3,470,272		
		$ 11,527,033		
Manitoba Water Services Board Sinking Fund:			1,477,164	—
Manitoba Hydro-Electric Board Bonds	$ 40,000	$ 32,377		
Manitoba Telephone System Bonds	240,000	171,800		
	$ 280,000	$ 204,177		
Short term investments with the Minister of Finance		1,272,987		
		$ 1,477,164		
University of Manitoba Sinking Fund:			11,077,833	—
Province of Manitoba Debentures	$ 232,000	$ 197,453		
Manitoba Hydro-Electric Board Bonds	4,549,000	3,692,126		
Manitoba Telephone System Bonds	1,139,000	812,305		
Quebec Hydro-Electric Commission Bonds	165,000	162,838		
University of Manitoba Bonds	3,520,000	2,495,244		
	$ 9,605,000	$ 7,359,966		
Short term investments with the Minister of Finance		3,717,867		
		$ 11,077,833		
			$ 268,070,856	$ 871,725,178

NOTE 1: The investments shown in the Province of Manitoba Sinking Fund are net of the amortization of investment discounts and premiums. The investments of the remaining sinking funds are shown at cost and do not reflect any amortization of investment discounts or premiums. If the investments were to be shown at par value, the value of the respective sinking funds would be as follows:

	Sinking Funds Related to Securities Issued by Government Agencies	Sinking Funds Related to Securities Issued by the Province of Manitoba
Province of Manitoba Sinking Fund	$ –	$ 794,398,395
Manitoba Hydro-Electric Board Sinking Fund	233,297,073	103,919,632
Manitoba Telephone System Sinking Fund	41,325,677	15,999,755
Manitoba Housing and Renewal Corporation Sinking Fund	6,756,239	6,787,033
Manitoba Water Services Board Sinking Fund	1,552,986	–
University of Manitoba Sinking Fund	13,322,868	–
	$ 296,254,843	$ 921,104,815

GOVERNMENT OF THE PROVINCE OF MANITOBA

SINKING FUND TRANSACTIONS

For the Year Ended March 31, 1986

Series	Amount of Issue Outstanding March 31, 1986	Maturity Date	Sinking Fund Balance March 31, 1985	Provincial Allocations	Crown Corporations And Agencies Contributions	Transfers	Withdrawals	Sinking Fund Balance March 31, 1986
PROVINCE OF MANITOBA DEBENTURES:								
9G	$ 10,000,000	Jan. 1996	$ 183,413	$ 27,987	$ -	$ (20,400)	$ -	$ 191,000
9J	53,613,647	Nov. 1993	11,700,927	-	1,004,174	-	-	12,705,101
9K	37,692,104	Apr. 1994	7,547,311	-	678,814	-	-	8,226,125
9L	4,320,000	Jun. 1986–89	1,105,929	-	98,237	-	(235,704)	968,462
9M	53,734,680	Nov. 1994	10,759,611	-	967,731	-	-	11,727,342
9R	31,000,000	Oct. 1993	4,180,769	-	477,231	-	-	4,658,000
9U	23,445,900	May 1994	2,814,940	-	347,056	-	-	3,161,996
9X	20,000,000	Dec. 1999	5,918,554	1,019,907	148,024	-	-	7,086,485
9Z	-	Apr. 1985	6,205,254	916,769	287,317	4,877,272	(12,286,612)	-
10A	-	Apr. 1985	344,995	-	43,800	(28,612)	(360,183)	-
10B	-	Apr. 1985	309,023	-	42,913	14,874	(366,810)	-
10D	20,137,500	Nov. 1995	2,131,110	-	286,620	-	-	2,417,730
10E	-	Dec. 1985	3,385,244	-	468,014	(2,905)	(3,850,353)	-
10G	12,512,525	Mar. 1987–88	3,993,620	1,172,446	-	4,534,240	(6,256,262)	3,444,044
10J	26,640,000	Feb. 1987	4,835,282	329,408	1,160,887	(329,408)	(435,928)	5,560,241
10L	29,901,600	May 1992	5,089,103	1,673,589	-	-	-	6,762,692
10Q	48,144,075	Jan. 1987–90	4,323,396	-	723,154	-	(633,729)	4,412,821
10R	45,203,920	May 1993	3,247,887	-	610,207	-	(223,146)	3,634,948
10T	16,700,000	May 1998	858,006	-	155,219	-	-	1,013,225
10V	75,000,000	Dec. 1988	4,974,731	-	948,990	-	-	5,923,721
10W	89,450,600	Mar. 1989	21,307,709	5,934,839	-	-	-	27,242,548
10X	57,097,674	May 1986–89	7,245,071	2,131,006	-	-	-	9,376,077
10Z	4,380,984	Mar. 1987–99	133,930	20,436	10,320	(52,436)	-	112,250
11A	5,000,000	Aug. 1999	283,265	-	61,330	-	-	344,595
11D	110,000,000	Mar. 1991	4,671,110	-	1,286,845	-	-	5,957,955
11E	179,861,085	Jul. 1991	10,610,300	3,263,373	1,213,897	-	-	15,087,570
11F	63,760,000	Feb. 1992	3,738,769	1,142,131	433,973	-	-	5,314,873
11G	75,000,000	Mar. 1988	2,341,200	-	843,648	-	-	3,184,848
11H	242,600,800	Mar. 1997	24,255,015	10,979,073	-	-	-	35,234,088
11J	40,000,000	Mar. 1992	1,248,640	-	449,946	-	-	1,698,586
11K	75,317,505	Jul. 1988–92	4,791,435	2,990,645	-	-	-	7,782,080
11L	122,741,073	Sept. 1989	5,156,137	2,436,851	663,784	-	-	8,256,772
11M	150,000,000	Oct. 1987	6,733,401	3,375,110	703,040	-	-	10,811,551
11N	153,407,000	Nov. 1989	7,107,330	3,654,815	663,700	-	-	11,425,845
11P	56,127,800	Nov. 1992	3,570,653	2,228,677	-	-	-	5,799,330
11Q	60,180,000	Mar. 1993	3,828,440	2,389,578	-	-	-	6,218,018
11R	275,000,000	Mar. 1993	3,810,000	-	2,402,400	-	-	6,212,400
11T	100,366,000	May 1993	3,010,980	3,470,422	-	-	-	6,481,402
11U	76,920,000	Jun. 1989–93	2,307,600	2,659,714	-	-	-	4,967,314
11V	51,540,000	Apr. 1988–93	1,546,200	1,782,133	-	-	-	3,328,333
AA	123,081,000	Jun. 1990	3,692,430	4,255,854	-	-	-	7,948,284
AB	58,350,000	Nov. 1993	1,750,500	2,017,607	-	-	-	3,768,107
AC	116,700,000	Nov. 1988	1,167,000	-	1,213,680	-	-	2,380,680
AD	100,000,000	May 1986	4,726,451	622,022	9,577,021	(622,022)	-	14,303,472
AE	84,975,000	Mar. 1990–94	2,549,250	2,938,238	-	-	-	5,487,488
AF	50,000,000	Apr. 1994	-	1,500,000	-	-	-	1,500,000
AG	55,892,600	May 1989–94	-	1,676,778	-	-	-	1,676,778
AH	57,240,000	Jun. 1994	-	-	572,400	-	-	572,400
AJ	81,165,000	Jul. 1989–94	-	2,434,950	-	-	-	2,434,950
AK	50,000,000	Aug. 1994	-	1,500,000	-	-	-	1,500,000
AL	86,900,000	Oct. 1994	-	2,607,000	-	-	-	2,607,000
AM	131,670,000	Oct. 1994	-	3,950,100	-	-	-	3,950,100
AT	100,890,000	Nov. 1990–95	-	-	6,373,835	-	-	6,373,835
CU	29,500,000	Jul. 1987	1,876,686	1,171,362	-	-	-	3,048,048
PROVINCE OF MANITOBA SAVINGS BONDS:								
9S	903,100	Jun. 1986	291,624	71,916	-	6,504	(10,800)	359,244
10S	1,059,900	Jun. 1987	291,642	77,186	-	19,580	(29,600)	358,808
11S	957,900	Jun. 1988	218,031	62,990	-	23,496	(32,800)	271,717
12S	540,900	Jul. 1989	100,917	32,601	-	24,932	(32,500)	125,950
PROVINCE OF MANITOBA DEBENTURES – CANADA PENSION PLAN:								
CPP	1,676,621,000	1986–06	413,955,164	105,554,989	16,072,115	(28,345,574)	(2,077,000)	505,159,694
PROVINCE OF MANITOBA DEBENTURES AND LOANS – GOVERNMENT OF CANADA:								
GC	9,362,615	1986–98	-	306,467	-	546,491	(852,958)	-
TP	3,815,293	Apr. 1986–98	3,821,965	649,568	-	(446,677)	(209,563)	3,815,293
Hydro Transmission Line	148,992,100	Mar. 1987–16	10,419,790	-	1,873,584	-	(157,269)	12,136,105
Agricultural Service Centres	6,385,050	1966–03	207,032	31,591	-	(69,982)	(22,937)	145,704
GENERAL SINKING FUND			13,394,896	1,204,715	600,915	19,870,627	-	35,071,153
			$ 660,069,668	$ 186,264,843	$53,464,821	$ -	$ (28,074,154)	$ 671,725,178

GOVERNMENT OF THE PROVINCE OF MANITOBA

OUTSTANDING BORROWING AUTHORITY

as at March 31, 1986
(in thousands)

Appropriation Acts:			
General Government Programs (Interim)	1985	$ 3,781	
	1985	300,000	$ 303,781
Loan Acts - Self-Sustaining Programs:			
Agricultural Service Centres Agreement	1978		$ 2,236
Communities Economic Development Fund -			
(for guarantees)	1972(1)	$ 900	
(for guarantees)	1973	500	
(for loans)	1982(2)	1,507	
(for loans)	1985	1,700	4,607(1)
The Co-operative Loans and Loans Guarantee Board -			
(for guarantees)	1980	$ 1,000	
(for loans)	1984(2)	430	1,430(1)
Manitoba Jobs Fund	1985		48,062(1)
The Manitoba Agricultural Credit Corporation	1984(2)	$ 22,963	
	1985	20,000	42,963(1)
Manitoba Data Services	1979		4,000
Manitoba Development Corporation	1973	$ 6,856	
	1974	14,160	
	1975	24,440	
	1976	19,600	
	1985	10,000	75,056(1)
The Manitoba Energy Authority	1984		3,225
The Horse Racing Commission	1984(2)		400
The Manitoba Hospital Capital Financing Authority	1972(2)	$ 23,511	
	1974	18,000	41,511
The Manitoba Housing and Renewal Corporation	1984(2)	$ 24,171	
	1985	111,600	135,771
The Manitoba Hydro-Electric Board - Limestone	1985		995,120
Manitoba Mineral Resources Ltd.	1984(2)		7,062
The Manitoba Oil and Gas Corporation	1983(2)		5,000
The Manitoba Telephone System	1984(2)	$ 4,305	
	1985	24,500	28,805
Venture Manitoba Tours Ltd.	1985		1,000
The Manitoba Water Services Board	1983(2)	$ 1,400	
	1984(2)	7,000	
	1985	8,500	16,900
The Emergency Interest Rate Relief Program	1985		1,750
			$ 1,414,898
Total Outstanding Borrowing Authority			$ 1,718,679(2)

Refer to notes on following page.

NOTES:

1. Borrowing authority has been encumbered for guarantees provided by Crown Corporations, Agencies, Boards and Commissions relating to loans, performance bonds and bank lines of credit as follows:

	(in thousands)
Communities Economic Development Fund	$ 364
The Co-operative Loans and Loans Guarantee Board	100
Manitoba Jobs Fund	3,475
The Manitoba Agricultural Credit Corporation	5,381
Manitoba Development Corporation	61,500
	$ 70,820

2. In addition to the above, the Province has raised funds and abated the borrowing authority for the purpose of purchasing shares of various Crown Corporations. As at March 31, 1986, $6,000,000 of these funds were unexpended and available for the purpose of purchasing the following shares:

Manitoba Mineral Resources Ltd.	$ 1,000,000
The Manitoba Oil and Gas Corporation	5,000,000
	$ 6,000,000

GOVERNMENT OF THE PROVINCE OF MANITOBA
FINANCIAL COMMITMENTS
AS AT MARCH 31, 1986

		MARCH 31, 1986	MARCH 31, 1985
		(in thousands)	
1.	HOSPITALS AND PERSONAL CARE HOMES Hospitals and personal care homes have obtained financing for capital construction by issuing debentures, or arranging for mortgages or long-term bank loans. The Hospital Capital Financing Authority, which was established in 1972, approves the issue of all securities and assists in obtaining an orderly market for the sale of the securities to finance these capital expenditures. Although this indebtedness is not guaranteed by the Government, funds required for the payment of principal and interest related to the approved capital debt incurred for the construction and acquisition of facilities for the provision of insured services are included in the expenditure of the Manitoba Health Services Commission. The main source of Commission funds is from the Consolidated Fund of the Province of Manitoba. The amounts at right include $20,519,000 ($18,577,000 as at March 31, 1985) National Housing Act mortgages which are subsidized by the Canada Mortgage and Housing Corporation. $63,838,000 ($67,494,000 as at March 31, 1985) were held in investment accounts managed by the Minister of Finance.	$ 297,848	$ 301,457
	In addition to the approved outstanding debt, lines of credit up to $126,505,000 ($55,675,000 as at March 31, 1985) have been approved to finance capital projects currently in process. On completion of these projects, the borrowings will be converted to long-term debt.		
2.	PUBLIC SCHOOLS School Divisions have obtained long term financing for capital construction projects by issuing debentures. Although these debentures are not guaranteed by the Government, funds required for payment of the principal and interest related to the capital debt incurred for the construction and acquisition of facilities approved by the Public Schools Finance Board are mainly provided from the Consolidated Fund of the Province of Manitoba. Of the $213,171,000 outstanding at December 31, 1985, $212,723,000 ($217,707,000 as at December 31, 1984) represented debt issued with Public Schools Finance Board approval and for which funds for debt servicing is mainly provided from the Consolidated Fund, and $212,319,000 ($216,771,000 as at December 31, 1984) were held in investment accounts managed by the Minister of Finance.	213,171	218,517
3.	MANITOBA HOUSING AND RENEWAL CORPORATION The amounts owing at right to the Canada Mortgage and Housing Corporation are not guaranteed by the Government. Servicing of this indebtedness is partially covered from appropriation payments made in respect of provincial housing subsidies for low income earners.	231,711	234,000
4.	MANITOBA WATER SERVICES BOARD The amounts owing at right to the Canada Mortgage and Housing Corporation are not guaranteed by the Government but payments are required from appropriations on account of partial servicing of this indebtedness.	2,517	2,631
5.	BRANDON COLLEGE INCORPORATED (Brandon University) The Province has agreed to service a mortgage obtained by Brandon University from Canada Mortgage and Housing Corporation.	1,199	1,220
		$ 746,446	$ 757,825

GOVERNMENT OF THE PROVINCE OF MANITOBA

CONTINGENT LIABILITIES

As at March 31, 1986

1. By authority of the Elderly Persons Housing Act, the principal balance of mortgages made by Canada Mortgage and Housing Corporation guaranteed by the Province amounted to $1,054,530 as at March 31, 1986.

2. Pursuant to Orders-in-Council 825/80, 1345/82 and 206/84, agreements have been signed with the Canadian Indemnity Company and The Continental Insurance Company for the Province to guarantee up to a maximum of $20,000,000, and $33,000,000 respectively; an aggregate guarantee of $53,000,000 of Flyer Industries Ltd. performance bonds on contracts to supply buses for various transit organizations.

3. Pursuant to Order-in-Council 287/80, the Province is authorized to guarantee up to a maximum of $150,000,000 Promissory Notes issued by The Manitoba Hydro-Electric Board for temporary purposes. The amount of such Notes outstanding as at March 31, 1986 was $90,000,000 payable in U.S. dollars. The aggregate Canadian dollar equivalent of these Notes amounted to $125,757,000.

4. Pursuant to Order-in-Council 150/81, the Province is authorized to guarantee up to a maximum of $25,000,000 Promissory Notes issued by The Manitoba Telephone System for temporary purposes. As at March 31, 1986, no such Notes were outstanding.

5. The Province has been authorized to guarantee the following loans and bank lines of credit:

Purpose	Order-in-Council	Maximum Guarantee	Principal Amount Outstanding As at March 31, 1986
Canadian Co-operative Implements Ltd.	371/78	$ 3,300,000	$ 2,800,000
Channel Area Loggers Ltd.	320/73	500,000	176,000
Flyer Industries Limited	1170/84	10,000,000	10,000,000
The Long Point Development Corp.	16/85	20,000	2,000
Manitoba Data Services	204/81	500,000	-
Manitoba Hog Income Insurance Plan	446/82	5,000,000	-
The Manitoba Housing and Renewal Corporation	10/78 & 1264/82	2,000,000	489,853
Moose Lake Loggers Inc.	640/71	500,000	110,000
MTX Telecom Services Inc.	854/83	4,000,000	2,661,523
University of Manitoba	527/81	2,500,000	-
Venture Manitoba Tours Ltd.	1095/77, 1255/77, 838/84, 305/85 & 1381/85	1,250,000	1,250,000
Norway House Local Fur Council	496/77	5,000	-
Northwest Child and Family Services Agency	461/85	250,000	229,000
		$ 29,825,000	$ 17,718,376

DETAILED
REVENUE AND
EXPENDITURE
STATEMENTS

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GOVERNMENT OF THE PROVINCE OF MANITOBA

SUMMARY OF REVENUE AND EXPENDITURE

For the Year Ended March 31, 1986
(with comparative figures for March 31, 1985)

Actual 1984–1985	Actual 1985–1986	Net Increase (Decrease)		1985–1986 Actual	1985–1986 Estimated	1985–1986 Variance
$ 3,407,180,369	$ 3,644,887,921	$ 237,707,552	Expenditure	$ 3,644,887,921	$ 3,618,692,600	$ 26,195,321
2,924,646,594	3,116,616,816	191,970,222	Revenue	3,116,616,816	3,122,496,800	(5,879,984)
$ 482,533,775	$ 528,271,105	$ 45,737,330	Excess of Expenditure Over Revenue	$ 528,271,105	$ 496,195,800	$ 32,075,305
291,604,031	276,654,528	(14,949,503)	Less: Gross Capital Expenditures	276,654,528	303,587,200	(26,932,672)
$ 190,929,744	$ 251,616,577	$ 60,686,833	Net Operating Deficit	$ 251,616,577	$ 192,608,600	$ 59,007,977

NOTE 1: The "Estimated" Expenditure shown above consists only of the Main and Supplementary Estimates. This amount was increased during the fiscal year as follows:

Main and Supplementary Estimates (including general statutory appropriations)	$ 3,618,692,600
Special Warrants	86,278,100
Adjustment of estimated amount of statutory appropriations to actual expenditure	24,529,692
Total Authorized Expenditure	$ 3,729,500,392

NOTE 2: The amounts shown for Gross Capital Expenditures are the total amounts expended without any reduction for related revenues. Revenue for the fiscal years 1984–85 and 1985–86 includes Revenue Related to Capital of $21.4 million and $18.6 million respectively.

GOVERNMENT OF THE PROVINCE OF MANITOBA
STATEMENT OF REVENUE

For the Year Ended March 31, 1986
(with comparative figures for March 31, 1985)

Actual 1984–1985	Actual 1985–1986	Increase (Decrease)		1985–1986 Refunds	1985–1986 Actual	1985–1986 Estimated	Variance
			TAXATION:				
			Consumer and Corporate Affairs:				
$ 15,186,089	$ 16,678,005	$ 1,491,916	Insurance Corporations Tax	$ 357,436	$ 16,678,005	$ 16,700,000	$ (21,995)
			FINANCE:				
			Canada–Manitoba Income Tax Collection Agreement				
129,631,294	126,538,818	(3,092,476)	Corporation Income Tax	-	126,538,818	129,800,000	(3,261,182)
586,872,050	649,698,639	62,826,589	Individual Income Tax	606,369	649,698,639	652,100,000	(2,401,361)
24,483,929	29,628,583	5,144,654	Corporation Capital Tax	1,486,264	29,628,583	25,700,000	3,928,583
101,991,024	114,809,590	12,818,566	Gasoline Tax	2,074,812	114,809,590	115,578,547	(768,957)
111,143,652	118,850,387	7,706,735	Levy for Health and Post Secondary Education	547,968	118,850,387	116,000,000	2,850,387
106,220	78,548	(27,672)	Manitoba Succession Duty and Gift Tax	-	78,548	100,400	(21,852)
354	359	5	Mineral Acreage Tax	-	359	-	359
76,410	76,723	313	Mining Claim Lease Tax	-	76,723	76,400	323
9,216,867	13,738,676	4,521,809	Mining Tax	-	13,738,676	23,000,000	(9,261,324)
45,507,237	49,661,951	4,154,714	Motive Fuel Tax	11,428,302	49,661,951	56,782,320	(7,120,369)
14,717,310	14,293,355	(423,955)	Oil and Natural Gas Tax	15,878	14,293,355	17,000,000	(2,706,645)
4,768,526	5,325,482	556,956	Pari Mutuel Tax	-	5,325,482	4,653,254	672,228
397,233,939	442,688,928	45,454,989	Retail Sales Tax	4,108,338	442,688,928	422,898,145	19,790,783
32,905,345	34,176,242	1,270,897	Revenue Act, 1964, Part I	877,372	34,176,242	34,015,558	160,684
66,329,526	77,761,207	11,431,681	Tobacco Tax	13,556	77,761,207	80,059,658	(2,298,451)
12,235,000	16,507,643	4,272,643	Reciprocal Taxation Agreement	-	16,507,643	13,900,000	2,607,643
$ 1,552,404,772	$ 1,710,513,136	$ 158,108,364	TOTAL REVENUE FROM TAXATION	$ 21,516,295	$ 1,710,513,136	$ 1,708,364,282	$ 2,148,854
			OTHER REVENUE:				
			LEGISLATION:				
$ 727,394	$ 679,845	$ (47,549)	Audit and Accounting Fees	$ -	$ 679,845	$ 690,000	$ (10,155)
161,702	157,555	(4,147)	Contributions to Legislative Assembly Retirement Allowances Fund	-	157,555	160,000	(2,445)
30,553	35,893	5,340	Private Bills	272	35,893	24,000	11,893
-	20	20	Sundry	-	20	-	20
			EXECUTIVE COUNCIL:				
8,934	250,041	241,107	Sundry	-	250,041	400	249,641
			AGRICULTURE:				
1,585,787	1,440,673	(145,114)	Fees	2,450	1,440,673	1,958,200	(517,527)
5,254,182	5,617,187	363,005	Sundry	14,331	5,617,187	5,487,500	129,687
			ATTORNEY-GENERAL:				
3,006,621	2,852,652	(153,969)	Law Fees	25,356	2,852,652	2,647,749	204,903
6,523,090	5,838,792	(684,298)	Fines and Costs	6,627	5,838,792	6,260,000	(421,208)
9,862,479	11,851,700	1,989,221	Land Titles Fees	-	11,851,700	10,000,000	1,851,700
Carried Forward $ 27,160,742	$ 28,724,358	$ 1,563,616		$ 49,036	$ 28,724,358	$ 27,227,849	$ 1,496,509

Actual 1984-1985	1985-1986	Increase (Decrease)		1985-1986 Refunds	1985-1986 Actual	1985-1986 Estimated	Variance
Brought Forward $ 27,160,742	$ 28,724,358	$ 1,563,616		$ 49,036	$ 28,724,358	$ 27,227,849	$ 1,496,509
879,423	1,064,492	185,069	Legal Aid	-	1,064,492	1,000,000	64,492
655,465	846,967	191,502	Municipalities Shared Cost Receipts	-	846,967	872,000	(25,033)
1,421,948	1,671,271	249,323	Personal Property Security Registry	241	1,671,271	1,974,000	(302,729)
1,853,446	2,291,510	438,064	Public Trustee	257	2,291,510	1,881,600	409,910
39,965	45,011	5,046	Unsatisfied Judgement Fund Recoveries	450	45,011	100,000	(54,989)
169,869	401,732	231,863	Sundry	2,628	401,732	170,000	231,732
135,971,515	139,424,068	3,452,553	Liquor Control Commission	-	139,424,068	141,000,000	(1,575,932)
			BUSINESS DEVELOPMENT AND TOURISM:				
8,232	16,693	8,461	Travel Manitoba	31	16,693	15,500	1,193
64,018	46,647	(17,371)	Sundry	110	46,647	50,000	(3,353)
			COMMUNITY SERVICES:				
636,860	926,214	289,354	Vital Statistics Certificates	31,859	926,214	1,000,000	(73,786)
329,987	466,108	136,121	Fees	-	466,108	-	466,108
2,010,164	1,765,525	(244,639)	Sundry	859	1,765,525	2,700,000	(934,475)
			CONSUMER AND CORPORATE AFFAIRS:				
1,564,712	1,659,958	95,246	Corporate and Business Fees	846	1,659,958	1,675,000	(15,042)
354,918	352,415	(2,403)	Insurance Act Fees	370	352,415	340,000	12,415
126,868	133,766	6,898	Permits and Licences	7,848	133,766	130,000	3,766
531,718	563,460	31,742	Public Utilities Board Fees	128	563,460	461,100	102,360
568,667	678,853	110,186	Securities and Real Estate Agents Act Fees	12,242	678,853	520,000	158,853
7,572	15,123	7,551	Sundry	105	15,123	3,000	12,123
			CO-OPERATIVE DEVELOPMENT:				
6,564	9,423	2,859	Fees	47	9,423	6,100	3,323
28,838	16,822	(12,016)	Sundry	1,053	16,822	20,000	(3,178)
			CULTURE, HERITAGE AND RECREATION:				
79,792	91,431	11,639	Manitoba Film Classification Board	-	91,431	419,100	(327,669)
227,066	247,768	20,702	Manitoba Gazette	261	247,768	199,100	48,668
76,800	115,098	38,298	Provincial Archives	53	115,098	102,000	13,098
543,500	581,075	37,575	Queen's Printer – Operating	1,781	581,075	590,200	(9,125)
63,673	54,632	(9,041)	Sundry	58	54,632	18,500	36,132
			EDUCATION:				
3,453,852	3,547,019	93,167	Fees	14,903	3,547,019	3,592,600	(45,581)
4,217,368	4,415,618	198,250	Sundry	1,004	4,415,618	4,556,000	(140,382)
			EMERGENCY INTEREST RATE RELIEF:				
51,903	193,807	141,904	Loan Interest Revenue	7,590	193,807	-	193,807
			EMPLOYMENT SERVICES AND ECONOMIC SECURITY:				
186,025	188,734	2,709	Levy for Local Government Welfare Purposes in Unorganized Territory	-	188,734	170,000	18,734
2,103,175	2,352,317	249,142	Sundry	35,391	2,352,317	2,286,000	66,317
			ENERGY AND MINES:				
1,488,586	1,907,535	418,949	Minerals	9,339	1,907,535	1,330,600	576,935
6,487,955	8,929,538	2,441,583	Petroleum	18,975	8,929,538	5,807,400	3,122,138
2,396	45,942	43,546	Sundry	9	45,942	14,000	31,942
			ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH:				
2,361,159	2,357,249	(3,910)	Sundry	-	2,357,249	2,414,900	(57,651)

			FINANCE:				
2,354,303	7,347,997	4,993,694	Refund of Prior Years' Expenditures	9,037	7,347,997	3,500,000	3,847,997
1,712,854	334,221	(1,378,633)	Sundry	21,402	334,221	225,000	109,221
			GOVERNMENT SERVICES:				
1,021,754	1,009,859	(11,895)	Boards, Commissions and Government Agencies Receipts	-	1,009,859	1,021,100	(11,241)
2,209,824	2,424,035	214,211	Rentals from Various Government Properties	-	2,424,035	2,656,700	(232,665)
9,887	2,259	(7,628)	Winnipeg Core Area Agreement	-	2,259	-	2,259
608,735	595,841	(12,894)	Sundry	33	595,841	1,068,100	(472,259)
			HEALTH:				
730,741	1,722,328	991,587	Sundry	212	1,722,328	3,003,500	(1,281,172)
			HIGHWAYS AND TRANSPORTATION:				
28,719,431	28,672,688	(46,743)	Automobile and Motor Carrier Licences and Fees	3,415,846	28,672,688	27,605,700	1,066,988
4,503,232	5,046,389	543,157	Drivers' Licences	7,947	5,046,389	5,076,289	(29,900)
193,175	194,810	1,635	Licence Suspension Appeal Board	10,620	194,810	200,000	(5,190)
1,208,399	960,305	(248,094)	Municipalities Shared Cost Receipts	816	960,305	835,000	125,305
3,246,505	3,426,755	180,250	Sundry	2,210	3,426,755	2,958,500	468,255
			HOUSING:				
22,800	13,800	(9,000)	Manitoba Hydro	-	13,800	34,000	(20,200)
-	20	20	Permits and Licences	-	20	3,000	(2,980)
1,615,444	1,901,591	286,147	Property Administration	-	1,901,591	1,710,200	191,391
18,416	12,801	(5,615)	Sundry	-	12,801	-	12,801
			INDUSTRY, TRADE AND TECHNOLOGY:				
28,481	129,864	101,383	Sundry	-	129,864	-	129,864
			LABOUR:				
985,789	1,237,191	251,402	Permits and Licences	3,412	1,237,191	1,066,200	170,991
1,515,146	1,736,142	220,996	Sundry	63,098	1,736,142	1,605,000	131,142
			MUNICIPAL AFFAIRS:				
147,511	169,759	22,248	Fees	1,340	169,759	138,000	31,759
4,313,712	4,673,120	359,408	Municipalities Shared Cost Receipts	-	4,673,120	4,766,500	(93,380)
6,174	2,563	(3,611)	Sundry	-	2,563	3,000	(437)
			NATURAL RESOURCES:				
1,538,857	1,828,740	289,883	Fisheries	16,809	1,828,740	1,773,755	54,985
2,708,559	3,068,197	359,638	Forestry	24,438	3,068,197	2,902,400	165,797
403,754	479,724	75,970	Lands	64,817	479,724	452,200	27,524
17,100	-	(17,100)	Municipalities Shared Cost Receipts	-	-	18,000	(18,000)
4,559,234	4,644,586	85,352	Parks	62,749	4,644,586	4,961,900	(317,314)
12,163,399	16,668,131	4,504,732	Water Resources	-	16,668,131	14,816,200	1,851,931
2,251,297	2,249,497	(1,800)	Wildlife	23,847	2,249,497	2,310,523	(61,026)
470,061	597,416	127,355	Sundry	987	597,416	470,900	126,516
			NORTHERN AFFAIRS:				
569,384	457,016	(112,368)	Sundry	-	457,016	300,000	157,016
			URBAN AFFAIRS:				
1,394,891	995,654	(399,237)	Winnipeg Core Area Agreement	-	995,654	1,403,700	(408,046)
5,742	5,772	30	Sundry	-	5,772	-	5,772
$ 276,989,232	$ 298,757,250	$ 21,768,018	TOTAL OTHER REVENUE	$ 3,927,094	$ 298,757,250	$ 289,531,916	$ 9,225,334

Actual 1984–1985	1985–1986	Increase (Decrease)		1985–1986 Refunds	1985–1986 Actual	1985–1986 Estimated	Variance
			GOVERNMENT OF CANADA:				
$ 966,695	$ 1,192,505	$ 205,810	Agriculture	$ -	$ 1,192,505	$ 772,600	$ 419,905
4,248,055	2,319,649	(1,928,406)	Attorney-General	16,328	2,319,649	3,669,200	(1,349,551)
524,705	512,248	(12,457)	Business Development and Tourism	-	512,248	390,300	121,948
4,770	-	(4,770)	Civil Service	-	-	-	-
50,521,624	56,037,340	5,515,716	Community Services	-	56,037,340	52,967,000	3,070,340
85,000	109,520	24,520	Culture, Heritage and Recreation	-	109,520	90,000	19,520
27,777,040	28,069,012	291,972	Education	-	28,069,012	28,661,700	(592,688)
89,356,530	100,847,416	11,490,886	Employment Services and Economic Security	-	100,847,416	93,088,600	7,758,816
635,913	4,214,916	3,579,003	Energy and Mines	-	4,214,916	-	4,214,916
133,120	68,539	(64,581)	Environment and Workplace Safety and Health	-	68,539	105,000	(36,461)
348,329	376,784	28,455	Government Services	-	376,784	413,200	(36,416)
6,651,671	7,159,961	508,290	Health	-	7,159,961	5,078,600	2,081,361
1,419,621	1,489,571	69,950	Highways and Transportation	-	1,489,571	1,457,500	32,071
358,154	381,536	23,382	Housing	-	381,536	315,200	66,336
906,224	107,152	(799,072)	Industry, Trade and Technology	-	107,152	200,000	(92,848)
253,541	295,345	41,804	Labour	-	295,345	435,000	(139,655)
670,841	1,078,071	407,230	Natural Resources	-	1,078,071	743,000	335,071
6,476,146	7,038,005	561,859	Northern Affairs	-	7,038,005	7,704,500	(666,495)
1,788,496	1,007,396	(781,100)	Urban Affairs	-	1,007,396	1,416,200	(408,804)
800,000	227,672	(572,328)	Flood Control and Emergency Expenditures	-	227,672	-	227,672
			FINANCE:				
477,878,000	470,253,000	(7,625,000)	Equalization	-	470,253,000	479,700,000	(9,447,000)
405,270,000	410,134,000	4,864,000	Established Programs Cash Transfer	-	410,134,000	426,500,000	(16,366,000)
2,194,504	2,192,784	(1,720)	Government of Canada Subsidy	-	2,192,784	2,200,000	(7,216)
1,276,268	103,931	(1,172,337)	Share of Federal Oil Export Tax	-	103,931	1,300,000	(1,196,069)
$ 1,080,565,247	$ 1,095,216,353	$ 14,651,106	TOTAL GOVERNMENT OF CANADA	$ 16,328	$ 1,095,216,353	$ 1,107,207,600	$ (11,991,247)
$ 2,909,959,251	$ 3,104,486,739	$ 194,527,488	TOTAL REVENUE–CURRENT OPERATING PROGAMS	$ 25,459,717	$ 3,104,486,739	$ 3,105,103,798	$ (617,059)
			REVENUES RELATED TO CAPITAL:				
			OTHER REVENUE:				
			GOVERNMENT SERVICES:				
$ -	$ -	$ -	North Portage Development	$ -	$ -	$ 4,500,000	$ (4,500,000)
			HIGHWAYS AND TRANSPORTATION:				
763,762	2,835,289	2,071,527	Sundry	-	2,835,289	3,125,000	(289,711)
			NATURAL RESOURCES:				
972,713	482,669	(490,044)	Lands	19,036	482,669	997,800	(515,131)
			URBAN AFFAIRS:				
-	90,207	90,207	Agreement for Recreation and Conservation	-	90,207	-	90,207
1,676,342	2,127,773	451,431	Winnipeg Core Area Agreement	-	2,127,773	2,639,400	(511,627)
124,484	-	(124,484)	Land Sales - Salter Street Bridge	-	-	-	-
58,905	13,789	(45,116)	Land Sales - North Logan Redevelopment	-	13,789	-	13,789
4,988	42,625	37,637	Sundry	-	42,625	-	42,625
781,311	1,797,983	1,016,672	**SALE OF GOVERNMENT ASSETS**	250	1,797,983	1,500,000	297,983
$ 4,382,505	$ 7,390,335	$ 3,007,830	TOTAL OTHER REVENUE	$ 19,286	$ 7,390,335	$ 12,762,200	$ (5,371,865)

			GOVERNMENT OF CANADA:				
$ 2,346,725	$ 1,573,691	$ (773,034)	Business Development and Tourism	$ –	$ 1,573,691	$ 2,407,100	$ (833,409)
8,364,337	557,348	(7,806,989)	Education	–	557,348	508,600	48,748
286,000	–	(286,000)	Employment Services and Economic Security	–	–	–	–
816,686	–	(816,686)	Energy and Mines	–	–	–	–
214,217	1,183	(213,034)	Government Services	–	1,183	–	1,183
–	1,325,000	1,325,000	Highways and Transportation	–	1,325,000	25,000	1,300,000
944,165	2,497,235	1,553,070	Natural Resources	–	2,497,235	2,302,200	195,035
1,747,614	2,998,467	1,250,853	Northern Affairs	–	2,998,467	3,113,700	(115,233)
2,312,091	2,299,016	(13,075)	Urban Affairs	–	2,299,016	2,786,400	(487,384)
$ 17,031,835	$ 11,251,940	$ (5,779,895)	TOTAL GOVERNMENT OF CANADA	$ –	$ 11,251,940	$ 11,143,000	$ 108,940
$ 21,414,340	$ 18,642,275	$ (2,772,065)	TOTAL REVENUE RELATED TO CAPITAL	$ 19,286	$ 18,642,275	$ 23,905,200	$ (5,262,925)
$ 2,931,373,591	$ 3,123,129,014	$ 191,755,423	TOTAL REVENUE BEFORE COMMISSIONS	$ 25,479,003	$ 3,123,129,014	$ 3,129,008,998	$ (5,879,984)
			LESS: Commissions Retained by Revenue Officers (Note 2)				
177,688	178,547	859	Gasoline Tax	–	178,547	178,547	–
80,575	82,320	1,745	Motive Fuel Tax	–	82,320	82,320	–
97,170	15,558	(81,612)	Revenue Act, 1964, Part I	–	15,558	15,558	–
200,436	59,658	(140,778)	Tobacco Tax	–	59,658	59,658	–
47,684	53,254	5,570	Pari Mutuel Tax	–	53,254	53,254	–
5,895,634	5,898,145	2,511	Retail Sales Tax	–	5,898,145	5,898,145	–
1,637	1,749	112	Court Fees	–	1,749	1,749	–
60,087	61,089	1,002	Registrations, Highway Traffic Act	–	61,089	61,089	–
166,086	161,878	(4,208)	Big Game, Game Bird and Angling Licences	–	161,878	161,878	–
$ 2,924,646,594	$ 3,116,616,816	$ 191,970,222	TOTAL REVENUE	$ 25,479,003	$ 3,116,616,816	$ 3,122,496,800	$ (5,879,984)

NOTE 1: All revenue refunds are shown as a net reduction of the related revenue account in accordance with section 24(2) of the Financial Administration Act.

	1984–1985	1985–1986
Refund of prior years' revenue	$ 1,171,547	$ 1,708,322
Refund of current years' revenue	19,790,538	23,770,681
	$20,962,085	$25,479,003

NOTE 2: The actual and estimated revenue of the 1985–1986 fiscal year as well as the 1984–1985 revenue has been increased to reflect gross amounts before retention of commissions by Revenue Officers. The commissions are deducted before the determination of the total government revenue.

NOTE 3: Revenue from Individual Income Tax and Corporation Income Tax has been reduced by the Municipal share of these taxes which is paid to Municipalities in accordance with the Provincial-Municipal Tax Sharing Act, as follows:

	1984–1985	1985–1986
Individual Income Tax	$23,171,879	$25,652,629
Corporation Income Tax	7,489,428	7,533,178
	$30,661,307	$33,185,807

NOTE 4: The presentation of the actual revenue for the 1984–1985 fiscal year has been changed to reflect the organizational structure of Departments as established in the 1985–1986 Estimates. Organizational changes made subsequent to the 1985–1986 Estimates are minor in nature and have not been reflected in the amounts presented for that fiscal year.

EXPLANATORY COMMENTS REGARDING REVENUE INCREASES (DECREASES)

As shown on the
Statement of Revenue
for the year ended March 31, 1986

The total revenue of $3,116.6 million for the year ended March 31, 1986 has increased from the previous fiscal year's total of $2,924.6 million by $192.0 million. The larger revenue increases and decreases consist of the following (in millions of dollars):

Larger Increases:	
Individual Income Tax	$ 62.8
Retail Sales Tax	45.5
Gasoline Tax	12.8
Government of Canada — Shared Cost Receipts	12.8
Tobacco Tax	11.4
Levy for Health and Post Secondary Education	7.7
Corporation Capital Tax	5.1
Finance — Refund of Prior Years' Expenditures	5.0
Established Programs Cash Transfer	4.8
Mining Tax	4.5
Natural Resources — Water Resources	4.5
Reciprocal Taxation Agreement	4.3
Motive Fuel Tax	4.2
Liquor Control Commission	3.5
Energy and Mines — Petroleum	2.4
Highways and Transportation — Capital: Sundry	2.1
	$193.4
Larger Decreases:	
Equalization	$ 7.6
Corporation Income Tax	3.1
	$ 10.7
Others: Net Increase	$ 9.3
Net Increase	$192.0

The net increase of $62.8 million in Individual Income Tax and the increase of $45.5 million in Retail Sales Tax were the two largest factors contributing to this increase. Comments on these and other significant increases and decreases and also on significant variances between actual and estimated are made in the following paragraphs.

INDIVIDUAL INCOME TAX ($62.8 million increase)

The increase in Individual Income Tax of $62.8 million — from $586.9 million for the fiscal year ended March 31, 1985 to $649.7 million for the fiscal year ended March 31, 1986 — is primarily attributable to a $53.4 million increase in current year payments as a result of revisions in federal estimates of the province's entitlements based on the estimated growth in national basic federal tax and Manitoba's share of the growth. In addition, a net decrease in negative prior year adjustments resulted in an increase of $11.5 million — a $6.3 million negative adjustment was applied in 1985-86 compared to a $17.8 million negative adjustment in 1984-85.

The 1985-86 revenue is net after transferring Provincial Municipal Tax Sharing payments of $25.7 million.

RETAIL SALES TAX ($45.5 million increase)

The increase in Retail Sales Tax revenue of $45.5 million — from $397.2 million for the fiscal year ended March 31, 1985 to $442.7 million for the fiscal year ended March 31, 1986 — is mainly attributable to increased sales due to the economic recovery experienced during 1985-86 and to inflationary increases on the price of goods and services.

The actual revenue received of $442.7 million exceeded the Estimate by $19.8 million mainly due to a greater than anticipated growth in economic recovery and price increases.

GASOLINE TAX ($12.8 million increase)

The increase in Gasoline Tax of $12.8 million — from $102.0 million for the fiscal year ended March 31, 1985 to $114.8 million for the fiscal year ended March 31, 1986 — is the result of an increase in tax rates effective April 1, 1985. Gasoline tax increased by 0.5¢ per litre, from 7.5¢ to 8.0¢ per litre; gasohol tax increased by 0.5¢ per litre, from 5.0¢ to 5.5¢ per litre; a surtax of 0.9¢ per litre was imposed on leaded gasoline and gasohol; and aviation fuel tax increased by 0.3¢ per litre, from 4.5¢ to 4.8¢ per litre.

GOVERNMENT OF CANADA — SHARED COST RECEIPTS ($12.8 million increase)

The increase in Government of Canada Shared Cost Receipts of $12.8 million — from $211.0 million for the fiscal year ended March 31, 1985 to $223.8 for the fiscal year ended March 31, 1986 — is the net result of several increases and decreases reflected in various cost-shared agreements.

The most significant increase was in Canada Assistance Plan receipts, primarily due to an increased level of provincial expenditure in the social services programs which are cost-shared under the Plan. This resulted in an increase in revenue to the Department of Employment Services and Economic Security of $11.2 million and to the Department of Community Services of $2.6 million.

The Canada-Manitoba Limestone Project, Employment and Training Agreement and a special agreement related to the Young Offenders Act which both became effective in April 1985 resulted in increases of $3.9 million to the Department of Energy and Mines and $1.9 million to the Department of Community Services respectively.

These increases were partially offset by a decrease of $7.8 million in Department of Education revenue as a result of the completion in 1984/85 of seventeen of the eighteen one-time projects approved under the Skills Growth Fund.

The actual revenue of $223.8 exceeded the Estimate by $15.1 million primarily due to: a $7.9 million increase in revenue received by the Department of Employment Services and Economic Security as a result of the increase in Social Allowance expenditures — $6.0 million for expenditures cost-shared under the Canada Assistance Plan and $1.9 million for the recovery of Social Allowance payments made to Treaty Indians; and a $5.8 million increase as a result of the implementation in 1985-86 of the Canada-Manitoba Limestone Project and the special agreement under the Young Offenders Act which were not included in the Estimate.

TOBACCO TAX ($11.4 million increase)

The increase in Tobacco Tax revenue of $11.4 million — from $66.3 million for the year ended March 31, 1985 to $77.7 million for the year ended March 31, 1986 — is the result of an increase in the tax rate of 0.5¢ per cigarette, from 2.6¢ to 3.1¢ per cigarette, with a corresponding increase to the tax rate on other tobacco products effective April 29, 1985.

The actual revenue received of $77.7 million is less than the Estimate by $2.3 million as a result of a larger than anticipated decrease in consumption of tobacco products.

LEVY FOR HEALTH AND POST SECONDARY EDUCATION ($7.7 million increase)

The increase in Levy for Health and Post Secondary Education revenue of $7.7 million — from $111.1 million for the fiscal year ended March 31, 1985 to $118.8 million for the fiscal year ended March 31, 1986 — reflects the growth in the tax base of employers as a result of increased wages paid and/or employees hired.

The actual revenue received of $118.8 million exceeded the Estimate by $2.8 million as a result of the growth in the tax base of employers.

CORPORATION CAPITAL TAX ($5.1 million increase)

The increase in Corporation Capital Tax of $5.1 million — from $24.5 million for the fiscal year ended March 31, 1985 to $29.6 million for the fiscal year ended March 31, 1986 — is attributable to audit assessments which resulted in a $2.3 million increase and to growth in debt and equity financing reported by corporations which resulted in a $2.8 million increase.

The actual revenue of $29.6 million exceeded the Estimate by $3.9 million primarily as a result of the $2.3 million increase in audit assessments.

FINANCE — REFUND OF PRIOR YEAR'S EXPENDITURES ($5.0 million increase)

The increase in Refund of Prior Year's Expenditures of $5.0 million — from $2.3 million for the fiscal year ended March 31, 1985 to $7.3 million for the fiscal year ended March 31, 1986 — is attributable to a one-time recovery of $5.3 million from the Manitoba Agricultural Credit Corporation as a result of a change in accounting policy. The Corporation refunded the balance held in their allowance for doubtful accounts fund and is now provided with funding for the actual amount of the bad debts being written off.

The actual revenue received of $7.3 million exceeded the Estimate by $3.8 million as a result of the receipt of a larger than anticipated refund from the Manitoba Agricultural Credit Corporation.

ESTABLISHED PROGRAMS CASH TRANSFER ($4.8 million increase)

The increase in Established Programs Cash Transfer of $4.8 million — from $405.3 million for the fiscal year ended March 31, 1985 to $410.1 million for the fiscal year ended March 31, 1986 — is the net result of a $23.9 million increase in cash entitlements under the Established Programs Financing formula, offset by a net increase in negative prior year adjustments of $19.1 million — an $8.4 million negative adjustment was applied in 1985-86 compared to a $10.7 million positive adjustment in 1984-85.

The actual revenue received of $410.1 million is $16.4 million less than the Estimate primarily due to: a decrease of $9.2 million in current year cash entitlements under the Established Programs formula, partially offset by a $1.2 million increase in total entitlement based on population and GNP growth; and the negative prior year adjustment of $8.4 million.

MINING TAX ($4.5 million increase)

The increase in Mining Tax revenue of $4.5 million — from $9.2 million for the fiscal year ended March 31, 1985 to $13.7 million for the fiscal year ended March 31, 1986 — is the result of increased efficiency in mining techniques which has resulted in higher profits.

The actual revenue received of $13.7 million is less than the Estimate by $9.3 million because an audit assessment was not finalized as anticipated.

NATURAL RESOURCES — WATER RESOURCES (\$4.5 million increase)

The increase in Water Resource revenue of \$4.5 million — from \$12.2 million for the fiscal year ended March 31, 1985 to \$16.7 million for the fiscal year ended March 31, 1986 — is primarily attributable to an increase in water power rates related to the production of hydro electrical generation effective April 11, 1985.

RECIPROCAL TAXATION AGREEMENT (\$4.3 million increase)

The increase in Reciprocal Taxation Agreement revenue of \$4.3 million — from \$12.2 million for the fiscal year ended March 31, 1985 to \$16.5 million for the fiscal year ended March 31, 1986 — is mainly attributable to an increase in the Federal Government's estimate of the Province's entitlements for the sales tax component of the Agreement.

The actual revenue received of \$16.5 million exceeded the Estimate by \$2.6 million also as a result of the revision in the Federal Government's estimate of sales tax entitlements.

MOTIVE FUEL TAX (\$4.2 million increase)

The increase in Motive Fuel Tax revenue of \$4.2 million — from \$45.5 million for the fiscal year ended March 31, 1985 to \$49.7 million for the fiscal year ended March 31, 1986 — is the result of an increase in tax rates effective April 1, 1985. Clear diesel fuel increased by 0.6¢ per litre, from 8.6¢ to 9.2¢ per litre; railway diesel fuel increased by 2.1¢ per litre, from 7.1¢ to 9.2¢ per litre; and coloured off-highway diesel fuel increased by 0.5¢ per litre, from 6.5¢ to 7.0¢ per litre.

The actual revenue received of \$49.7 million is less than the Estimate by \$7.1 million mainly as a result of higher than anticipated tax refunds to railways related to motive fuel purchased in the Province but exported out of the Province in locomotive fuel tanks [Motive Fuel Tax Act, Section 3(11.1)].

LIQUOR CONTROL COMMISSION (\$3.5 million increase)

The increase in Liquor Control Commission Revenue of \$3.4 million — from \$136.0 million for the fiscal year ending March 31, 1985, to \$139.4 million for the fiscal year ending March 31, 1986 — which represents the increase in net profit to the Commission is the result of price increases of \$5.9 million, offset by a decrease of \$1.7 million due to the discontinuation of the brewers supplementary licence fee on July 11, 1985, a decrease in operating expenses of \$0.5 million and a decrease in sales volume of \$0.2 million.

ENERGY AND MINES — PETROLEUM (\$2.4 million increase)

The increase in Petroleum Revenue of \$2.4 million — from \$6.5 million for the fiscal year ended March 31, 1985 to \$8.9 million for the fiscal year ended March 31, 1986 — is mainly attributable to higher amounts bid for oil and natural gas Crown leases.

The actual revenue received of \$8.9 million exceeded the Estimate by \$3.1 million as a result of the unforeseen increase in the amounts bid for oil and natural gas Crown leases.

HIGHWAYS AND TRANSPORTATION — CAPITAL: SUNDRY (\$2.1 million increase)

The increase in Sundry Revenue of \$2.1 million — from \$0.7 million for the fiscal year ended March 31, 1985 to \$2.8 million for the fiscal year ended March 31, 1986 — is the result of a recovery from Manitoba Hydro of costs related to the Long Spruce to Split Lake project with no similar recovery made in 1984/85.

EQUALIZATION (\$7.6 million decrease)

The decrease in Equalization revenue of \$7.6 million — from \$477.9 million for the fiscal year ended March 31, 1985 to \$470.3 million for the fiscal year ended March 31, 1986 — is primarily the result of a \$59.3 million decrease in regular payments due to the termination of the transitional portion of the formula, offset by a \$50.0 million ad hoc supplementary payment received for 1985–86.

The actual revenue received of \$470.3 million is \$9.4 million less than the Estimate because the supplementary payment did not sufficiently bring receipts to the level anticipated when the Province's Printed Estimate of Revenue was finalized.

CORPORATION INCOME TAX (\$3.1 million decrease)

The decrease in Corporation Income Tax of \$3.1 million — from \$129.6 million for the fiscal year ended March 31, 1985 to \$126.5 million for the fiscal year ended March 31, 1986 — is the net result of: a \$9.2 million increase in current year entitlements based on federal estimates of national corporation taxable income and Manitoba's share of the income; a \$1.5 million decrease in payments related to the Public Utilities Income Tax Transfer; and a net increase in negative prior year adjustments of \$10.8 million — a \$9.0 million negative adjustment was applied in 1985–86 compared to a \$1.8 million positive adjustment in 1984–85.

The 1985/86 revenue is net after transferring Provincial-Municipal Tax Sharing payments of \$7.5 million.

GOVERNMENT OF THE PROVINCE OF MANITOBA
STATEMENT OF EXPENDITURE

For The Year Ended March 31, 1986
(with comparative figures for March 31, 1985)

Actual 1984-85	Actual 1985-86	Increase (Decrease)		1985-1986 Actual	1985-1986 Authorized	Unexpended
$ 6,946,486	$ 9,090,779	$ 2,144,293	Legislation	$ 9,090,779	$ 10,470,172	$ 1,379,393
3,835,993	2,207,655	(1,628,338)	Executive Council	2,207,655	2,277,300	69,645
59,807,329	62,429,239	2,621,910	Agriculture	62,429,239	67,447,800	5,018,561
67,345,196	71,353,140	4,007,944	Attorney-General	71,353,140	72,123,088	769,948
16,452,344	17,094,359	642,015	Business Development and Tourism	17,094,359	18,137,000	1,042,641
42,606,748	46,199,595	3,592,847	Civil Service	46,199,595	50,334,100	4,134,505
154,546,044	169,818,224	15,272,180	Community Services	169,818,224	171,030,400	1,212,176
3,771,632	4,263,589	491,957	Consumer and Corporate Affairs	4,263,589	4,374,800	111,211
6,354,782	6,573,222	218,440	Co-operative Development	6,573,222	6,774,400	201,178
660,077	811,916	151,839	Crown Investments	811,916	891,900	79,984
19,711,174	20,469,433	758,259	Culture, Heritage and Recreation	20,469,433	20,547,100	77,667
654,610,761	663,027,284	8,416,523	Education	663,027,284	664,852,300	1,825,016
181,107,332	195,689,574	14,582,242	Employment Services and Economic Security	195,689,574	198,370,100	2,680,526
11,725,800	10,899,081	(826,719)	Energy and Mines	10,899,081	12,001,000	1,101,919
11,962,386	11,794,485	(167,901)	Environment and Workplace Safety and Health	11,794,485	12,201,600	407,115
461,593,121	533,729,279	72,136,158	Finance	533,729,279	535,964,432	2,235,153
94,306,749	117,345,840	23,039,091	Government Services	117,345,840	130,303,200	12,957,360
1,072,612,282	1,149,020,129	76,407,847	Health	1,149,020,129	1,167,579,900	18,559,771
193,710,445	194,504,856	794,411	Highways and Transportation	194,504,856	203,766,300	9,261,444
38,752,899	40,232,162	1,479,263	Housing	40,232,162	44,006,200	3,774,038
7,933,353	8,588,440	655,087	Industry, Trade and Technology	8,588,440	9,066,400	477,960
8,678,283	9,153,032	474,749	Labour	9,153,032	9,358,200	205,168
34,264,216	37,826,179	3,561,963	Municipal Affairs	37,826,179	39,395,700	1,569,521
85,130,074	85,758,247	628,173	Natural Resources	85,758,247	89,841,000	4,082,753
26,957,169	29,542,732	2,585,563	Northern Affairs	29,542,732	30,700,400	1,157,668
63,266,568	63,475,656	209,088	Urban Affairs	63,475,656	67,256,300	3,780,644
-	-	-	Canada-Manitoba Enabling Vote	-	3,304,600	3,304,600
3,880,982	1,905,453	(1,975,529)	Emergency Interest Rate Relief	1,905,453	1,914,700	9,247
3,300,489	1,885,236	(1,415,253)	Flood Control and Emergency Expenditures	1,885,236	2,050,000	164,764
71,349,655	80,199,105	8,849,450	Manitoba Jobs Fund	80,199,105	83,160,000	2,960,895
$3,407,180,369	$3,644,887,921	$ 237,707,552		$3,644,887,921	$3,729,500,392	$ 84,612,471

NOTE 1: The presentation of the actual expenditure for the 1984-85 fiscal year has been changed to reflect the organizational structure of Departments as established in the 1985-86 Estimates.

EXPLANATORY COMMENTS REGARDING EXPENDITURE INCREASES (DECREASES)

As shown on the
Statement of Expenditure
for the year ended March 31, 1986

The total expenditure of $3,644.9 million for the year ended March 31, 1986 has increased from the previous fiscal year's total of $3,407.2 million by $237.7 million.

The largest increase of $76.4 million in the Department of Health is mainly attributable to an increase in payments of $67.5 million to the Manitoba Health Services Commission.

The next largest increase, $72.1 million, occurred in the Department of Finance and is primarily due to a net increase of $48.3 million in Public Debt costs and a net increase of $16.5 million in Hydro Rates Stabilization costs.

Although salary and other general cost increases account for a substantial portion of the total increase, certain major items in departmental expenditures are commented on in the following paragraphs:

LEGISLATION ($2.1 million increase)

The major increase in departmental expenditures occurred in the Electoral Office where costs of $1.7 million were incurred as a result of the March, 1986 General Provincal Election.

AGRICULTURE ($2.6 million increase)

The increase in departmental expenditures is mainly attributable to: a $2.9 million increase in payments made by the Income Insurance Fund, primarily as a result of the establishment in 1985-86 of a program to assist sugar beet producers; a $1.4 million increase in grants made to municipalities for sewer and water projects; and a $1.4 million increase in payments made by the Manitoba Crop Insurance Corporation, mainly for crop damage caused by migratory waterfowl.

Offsetting these increases are: a $2.0 million reduction in expenditures as a result of a one-time payment in 1984-85 for the Federal-Provincial Prairie Livestock Drought Assistance Agreement which provided assistance to livestock producers; and a net decrease of $1.4 million in payments to the Manitoba Agricultural Credit Corporation.

ATTORNEY GENERAL ($4.0 million increase)

The major increase in departmental expenditures occurred in Law Enforcement as a result of a $2.0 million increase in payments to the R.C.M.P. for the provincial share of police services provided.

CIVIL SERVICE ($3.6 million increase)

The largest increase in departmental expenditures was $3.1 million for costs pertaining to employee benefits which are required by legislation or agreement. Major year over year changes are: a $1.3 million increase in contributions to the Civil Service Superannuation Plan, a $1.1 million increase in the Government's share of premiums paid under the Unemployment Insurance Plan, a $0.6 million increase in payments related to the Canada Pension Plan, and a $0.7 million decrease in costs related to the Workers' Compensation Board.

COMMUNITY SERVICES ($15.3 million increase)

The increase in departmental expenditures is mainly attributable to: increased spending of $6.0 million in Child and Family Support, primarily as a result of an increase in caseload due to improved access to services resulting from the regionalization of Child and Family Services Agencies; increased spending of $3.5 million in Community Social Services Programs mainly as a result of the implementation of the Welcome Home initiative to place mentally handicapped persons in community residences; and increased spending of $1.5 million in Child Day Care as a result of an increase in the level of support provided to day care centres and an increase in the number of subsidized families.

EDUCATION ($8.4 million increase)

The increase in departmental expenditures is mainly attributable to: a $7.6 million increase in the level of financial support provided to school divisions; a $1.9 million increase in government contribution to the Teachers' Retirement Allowances Fund; increased spending in the Post-Secondary, Adult and Continuing Education division, primarily as a result of a $1.3 million increase in Community Colleges program and operating costs, an $0.8 million increase in Student Aid Assistance and a $0.6 million increase in Continuing Education Program grants; and a net increase of $1.3 million in grant funding provided to the Universities Grants Commission as a result of a $3.4 million increase in the level of funding provided for operating grants, offset by a $2.1 million reduction in capital grants.

The increase was partially offset by a decrease of $7.9 million in expenditures related to one-time Skills Growth Fund capital projects which were completed in 1984-85.

EMPLOYMENT SERVICES & ECONOMIC SECURITY ($14.6 million increase)

The increase in departmental expenditures is mainly attributable to an increase of $11.4 million in Social Allowance assistance provided to individuals. This represents a $7.8 million or 7.3% increase in the level of support, a $2.6 million or 2.4% increase in caseload and a $1.0 million increase for costs related to the new Sole Support Fathers legislation. In addition, Municipal Assistance payments increased by $2.2 million, primarily due to a 6.6% increase in caseload.

FINANCE ($72.1 million increase)

The increase in departmental spending is mainly attributable to a net increase of $48.3 million in Public Debt expenditure. The major factors contributing to the increase were an increase of $65.4 million in net interest costs on long-term financing and a net increase of $17.1 million in costs related to the cash management program. These increases were partially offset by a $19.1 million increase in investment earnings from the Provincial Sinking Fund, an $8.6 million increase in interest recoveries from crown corporations and government agencies and a $6.5 million increase in interest received on Manitoba Properties Inc. notes.

Hydro Rates Stabilization expenditures increased by $16.5 million as a result of an increase in interest payments and an increase in costs on maturity of debt obligations related to Manitoba Hydro foreign currency debt.

Tax Credit Payments increased by $6.9 million mainly the result of a $3.3 million increase in Cost of Living Tax Credits, a $2.0 million increase in Property Tax Credits, and a $1.9 million increase in Resident Homeowner Tax Assistance.

GOVERNMENT SERVICES ($23.0 million increase)

The increase in departmental expenditures is mainly attributable to a $21.2 million increase in costs for leased accommodations. Rental payments to Manitoba Properties Inc. (M.P.I.) increased by $19.6 million due to the annualization of rental costs for space leased in provincial buildings which were transferred to M.P.I. in August, 1984 and to an increase in rental costs as a result of the transfer of additional provincial properties to M.P.I. in 1985-86. Increased costs of leases held with other agencies resulted in an additional increase of $1.6 million.

HEALTH ($76.4 million increase)

The major factor contributing to the increase in departmental expenditures is an increase of $67.5 million in payments to the Manitoba Health Services Commission. This increase is primarily attributable to: increased Hospital Program costs, approximately $27.8 million for negotiated salary contracts, program expansion and general cost increases for supplies and operating expenses, $9.9 million for new and renovated facilities and equipment, and $4.2 million for the reinstatement of equipment depreciation; volume and fee-for-service increases of $13.3 million in the Medical Program; and a net increase of $5.8 million in the Personal Care Home Program, mainly due to negotiated salary contracts, general cost increases and new and renovated facilities.

MUNICIPAL AFFAIRS ($3.6 million increase)

The increase in departmental expenditures is mainly attributable to a $1.5 million increase in the level of grant funding provided from the Main Street Manitoba capital program and a $1.5 million increase in grants to municipalities in lieu of taxes, primarily as a result of increased municipal tax rates.

NORTHERN AFFAIRS ($2.6 million increase)

The increase in departmental expenditures is mainly attributable to a net increase in spending of $2.1 million on capital projects cost-shared under the Canada-Manitoba Northern Development Agreement. The largest increases in agreement costs were $1.9 million for the construction in 1985-86 of the Norway House sewer and water system and $0.8 million for accelerated construction in 1985-86 on the Tadoule Lake Airport. Partially offsetting these increases was a $0.6 million decrease in expenditures as a result of the completion of various projects during 1985-86.

JOBS FUND ($8.8 million increase)

The most significant increases in Jobs Fund expenditures were $10.2 million for the Limestone Training and Development program which was implemented in 1985-86 and $9.6 million for full year costs of the Manitoba Jobs and Training program which was initiated in 1984-85. Partially offsetting these increases was a $10.7 million decrease in expenditures related to the North Portage Redevelopment program as the majority of the land acquisition transactions were finalized in 1984-85.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SUMMARY OF EXPENDITURE BY DEPARTMENT AND EXPENDITURE OBJECT CODE

For the Year Ended March 31, 1986
(With comparative figures for March 31, 1985)
(in thousands)

Department	Personnel Services	Grants/ Transfer Payments	Trans-portation	Commun-ication	Supplies and Services	Public Debt
Legislation	$ 6,147	$ –	$ 187	$ 293	$ 2,091	$ 1
Executive Council	1,452	342	87	76	133	–
Agriculture	17,008	30,394	1,692	1,389	7,544	5
Attorney-General	29,989	6,048	1,574	648	30,564	8
Business Development and Tourism	3,969	7,551	438	1,938	2,196	110
Civil Service	45,520	–	42	52	350	–
Community Services	61,517	39,588	1,731	1,039	6,504	21
Consumer and Corporate Affairs	2,853	86	38	88	923	1
Co-operative Development	1,329	4,942	65	43	96	7
Crown Investments	406	–	15	19	336	–
Culture, Heritage and Recreation	8,628	9,561	619	3,123	4,429	10
Education	55,447	597,586	1,522	1,086	12,704	8
Employment Services and Economic Security	21,238	23,264	1,118	557	3,257	43
Energy and Mines	7,185	4,276	869	1,026	6,008	132
Environment and Workplace Safety and Health	8,788	74	695	372	1,239	2
Finance	11,386	211,995	364	265	1,244	306,816
Government Services	29,701	1,128	818	6,064	84,948	58
Health	73,543	1,050,844	2,412	998	19,059	12
Highways and Transportation	71,731	2,851	4,694	1,497	143,270	26
Housing	6,831	32,763	337	369	1,296	33
Industry Trade and Technology	4,690	5,305	326	1,367	1,790	1
Labour	6,993	320	493	217	437	1
Municipal Affairs	9,014	27,187	460	178	445	2
Natural Resources	51,587	1,061	8,556	1,477	17,708	7
Northern Affairs	3,711	7,426	540	137	2,082	1
Urban Affairs	786	37,623	28	67	464	–
Emergency Interest Rate Relief	–	1,906	–	–	–	–
Flood Control and Emergency Expenditures	147	1,078	19	3	562	–
Manitoba Jobs Fund	–	–	–	–	–	–
Sub-Total	$ 541,596	$ 2,105,199	$ 29,739	$ 24,388	$ 351,679	$ 307,305
Recoveries	(6,194)	(3,432)	(16,789)	(4,169)	(47,275)	–
Net Object Code Expenditures	$ 535,402	$ 2,101,767	$ 12,950	$ 20,219	$ 304,404	$ 307,305
Transfers to Capital	(26,533)	(59,035)	(2,203)	(451)	(93,615)	(40)
	$ 508,869	$ 2,042,732	$ 10,747	$ 19,768	$ 210,789	$ 307,265

NOTE: Transfers to Capital consist of the restatement of expenditure object code data to adjust capital expenditures that were charged to an object code other than Capital for:

a) Expenditures made from appropriations for Expenditures related to Capital Assets.
b) Self-constructed assets that are funded from operating appropriations.

Comparison of Object Code Expenditures

1986	$ 508,869	$ 2,042,732	$ 10,747	$ 19,768	$ 210,789	$ 307,265
1985	479,696	1,939,785	8,755	17,092	172,510	242,407
Increase (Decrease)	$ 29,173	$ 102,947	$ 1,992	$ 2,676	$ 38,279	$ 64,858

SUMMARY OF EXPENDITURE BY DEPARTMENT AND EXPENDITURE OBJECT CODE — Continued

Other Operating	Social Assistance Related	Capital	Total Expenditure	Recoveries Into Appropriations	Jobs Fund Transfers/ Recoveries	Interest Rate Relief Transfer Recoveries	Northern Development Transfer/ Recoveries	Urban Affairs Core Area Agreement	Net Expenditure
$ 320	$ –	$ 52	$ 9,091	$ –	$ –	$ –	$ –	$ –	$ 9,091
171	–	16	2,277	(55)	(14)	–	–	–	2,208
881	–	6,192	65,105	(95)	(1,080)	(1,385)	(116)	–	62,429
2,224	–	373	71,428	(75)	–	–	–	–	71,353
518	–	2,674	19,394	(1,048)	(809)	(443)	–	–	17,094
346	–	145	46,455	(255)	–	–	–	–	46,200
914	58,137	470	169,921	(103)	–	–	–	–	169,818
134	–	141	4,264	–	–	–	–	–	4,264
76	–	15	6,573	–	–	–	–	–	6,573
25	–	11	812	–	–	–	–	–	812
579	–	676	27,625	(6,572)	(584)	–	–	–	20,469
4,532	3,218	2,742	678,845	(561)	(5,049)	–	(7,298)	(2,909)	663,028
1,029	173,919	8,298	232,723	(431)	(33,295)	–	(3,307)	–	195,690
466	146	1,811	21,919	(3)	(11,017)	–	–	–	10,899
426	–	241	11,837	(43)	–	–	–	–	11,794
2,539	–	316	534,925	(1,196)	–	–	–	–	533,729
1,951	1	22,578	147,247	(23,699)	(6,202)	–	–	–	117,346
1,003	774	635	1,149,280	(260)	–	–	–	–	1,149,020
4,848	–	19,444	248,361	(46,391)	(7,465)	–	–	–	194,505
524	–	237	42,390	(2,080)	–	(78)	–	–	40,232
668	–	285	14,432	(14)	(5,830)	–	–	–	8,588
663	–	130	9,254	(51)	(50)	–	–	–	9,153
410	–	171	37,867	(41)	–	–	–	–	37,826
2,409	–	11,371	94,176	(2,361)	(6,057)	–	–	–	85,758
13,191	127	5,330	32,545	(169)	(2,747)	–	(86)	–	29,543
4,471	–	20,037	63,476	–	–	–	–	–	63,476
–	–	–	1,906	–	–	–	–	–	1,906
76	–	–	1,885	–	–	–	–	–	1,885
80,199	–	–	80,199	–	–	–	–	–	80,199
$ 125,593	$ 236,322	$ 104,391	$ 3,826,212	$ (85,503)	$ (80,199)	$ (1,906)	$ (10,807)	$ (2,909)	$ 3,644,888
(88,273)	(18)	(15,174)	(181,324)	85,503	80,199	1,906	10,807	2,909	–
$ 37,320	$ 236,304	$ 89,217	$ 3,644,888	$ –	$ –	$ –	$ –	$ –	$ 3,644,888
(5,561)	–	187,438	–	–	–	–	–	–	–
$ 31,759	$ 236,304	$ 276,655	$ 3,644,888	$ –	$ –	$ –	$ –	$ –	$ 3,644,888

$ 31,759	$ 236,304	$ 276,655	$ 3,644,888	$ –	$ –	$ –	$ –	$ –	$ 3,644,888
39,592	215,739	291,604	3,407,180	–	–	–	–	–	3,407,180
$ (7,833)	$ 20,565	$ (14,949)	$ 237,708	$ –	$ –	$ –	$ –	$ –	$ 237,708

EXPLANATORY COMMENTS REGARDING EXPENDITURE OBJECT CODE INCREASES (DECREASES)

for the year ended March 31, 1986

NOTE 1: PERSONNEL SERVICES (\$29.2 million increase)

The increased costs of \$29.2 million in this category was largely attributed to the general salary increase of 3% that was negotiated with employees effective September 28, 1985. This resulted in an overall increase for all Departments.

An increase of \$3.1 million also occurred in employee benefits required by legislation or agreement as follows: Civil Service Superannuation Plan \$1.3 million, Unemployment Insurance Plan \$1.1 million and Canada Pension Plan \$0.6 million.

NOTE 2: GRANTS/TRANSFER PAYMENTS (\$102.9 million increase)

Significant increases in the amount of grants or transfer payments made under certain programs occurred in the following Departments:

a) **HEALTH (\$67.0 million increase)**

The major factor contributing to the increase in departmental expenditure is an increase of \$67.5 million in payments to the Manitoba Health Services Commission. This increase is primarily attributable to the following: The Hospital Program required an additional \$27.8 million to cover negotiated salary contracts, program expansion and general cost increases in supplies and operating expenses. An additional \$9.9 million was required for new and renovated facilities and equipment and \$4.2 million for reinstatement of equipment depreciation. Increased volume and fee-for-service increases added \$13.3 million to the Medical Program. A net increase of \$5.8 million in the Personal Care Home Program was mainly due to negotiated salary contracts, general cost increases and new and renovated facilities.

b) **EDUCATION (\$9.9 million increase)**

The increase in departmental expenditure is mainly attributable to: a \$7.6 million increase in the level of financial support provided to school divisions; a \$1.9 million increase in government contribution to the Teachers' Retirement Allowances Fund; increased spending in the Post-Secondary, Adult and Continuing Education division, primarily as a result of a \$1.3 million increase in Community Colleges program and operating costs; a \$0.8 million increase in Student Aid Assistance; a \$0.6 million increase in Continuing Education Program grants; and a net increase of \$1.3 million in grant funding provided to the Universities Grants Commission.

c) **EMPLOYMENT SERVICES AND ECONOMIC SECURITY (\$7.7 million increase)**

The increase in this category was primarily due to increased activity in Job creation programs namely Career Start (\$3.6 million) and Jobs and Training (\$5.3 million). These increases were partially offset by termination of the NEED Program (\$3.4 million).

d) **FINANCE (\$7.0 million increase)**

Tax Credit Payments increase by \$6.9 million mainly as the result of increased cost of Living Tax Credits of \$3.2 million, increased Property Tax Credits of \$2.1 million and increased Resident Homeowner Tax Assistance of \$2.0 million.

e) **HOUSING (2.6 million increase)**

The increase in this category was primarily due to an increase of \$2.2 million in transfer payments to the Manitoba Housing and Renewal Corporation.

F) **MUNICIPAL AFFAIRS (\$2.1 million increase)**

The increase in expenditure was mainly attributable to a \$1.5 million increase in grants to municipalities in lieu of taxes as a result of increased municipal tax rates.

NOTE 3: TRANSPORTATION (\$2.0 million increase)

The largest increase in this category was \$0.3 million in the Department of Energy and Mines due to the start up of the Limestone Generating Station project. The remainder of the increase was due to marginal increases in numerous departments of the Government. These increases were partially offset by a \$1.5 million decrease in the Department of Natural Resources due to a lower incidence of forest fires during the 1985-86 fiscal year.

NOTE 4: COMMUNICATION (\$2.7 million increase)

An increase of \$0.8 million in the Department of Business Development and Tourism's Travel Manitoba Program was a primary cause of increased expenditures in this category. The remainder of the increase was due to marginal increases in many departments throughout the Government.

NOTE 5: SUPPLIES AND SERVICES (\$38.3 million increase)

The increase in this category is mainly due to the following:

a) **GOVERNMENT SERVICES (\$22.8 million increase)**

The increase in departmental expenditures is mainly attributable to a \$21.2 million increase in the costs for leased accommodations. Rental payments to Manitoba Properties Inc. (M.P.I.) increased by \$19.6 million due to the annualization of rental costs for space leased in provincial buildings which were transferred to M.P.I. in August, 1984 and to an increase in rental costs as a result of the transfer of additional provincial properties to M.P.I. in 1985-86. Increased costs of leases with other agencies resulted in an additional increase of $1.6 million.

b) **HIGHWAYS AND TRANSPORTATION ($11.1 million increase)**

The increase in the Department of Highways and Transportation was due to increased activity in road construction and upgrading ($11.1 million).

c) **ATTORNEY-GENERAL ($2.1 million increase)**

The increase in the Department of Attorney-General of $2.0 million directly relates to increased Law Enforcement expenditures billed by the Government of Canada for R.C.M.P. costs.

NOTE 6: PUBLIC DEBT ($64.9 million increase)

Public Debt costs, which are paid through the Department of Finance, increased by $64.9 million as a result of the following:

a) The net cost of interest and related expenses payable increased by $48.3 million. The major factors contributing to the increase were an increase of $65.4 million in net interest costs on long-term financing and a net increase of $17.1 million in costs related to the cash management program. These increases were partially offset by a $19.1 million increase in investment earnings from the Provincial Sinking Fund, a $8.6 million increase in interest recoveries from Crown Corporations and Government Agencies and a $6.5 million increase in interest received on Manitoba Properties Inc. notes.

b) Hydro Rates Stabilization expenditures increased by $16.5 million as a result of an increase in interest payments and an increase in costs on maturity of debt obligations related to Manitoba Hydro foreign currency debt.

NOTE 7: CAPITAL ($14.9 million decrease)

The net decrease of $14.9 million in this category was mainly the result of the following:

a) **JOBS FUND ($17.1 million decrease)**

The capital portion of Jobs Fund expenditure decreased partially due to a $10.7 million decrease in expenditure related to the North Portage Redevelopment program. The majority of the land acquisition transactions under this program were finalized in 1984-85.

b) **NORTHERN AFFAIRS ($2.1 million increase)**

The increase in departmental expenditures is attributable to a net increase of $2.1 million for capital projects cost-shared under the Canada-Manitoba Northern Development Agreement. The largest increases in agreement costs were $2.0 million for the construction of the Norway House sewer and water system and $0.8 million for accelerated construction on the Tadoule Lake Airport. Partially offsetting these increases was a $0.7 million decrease in expenditure as a result of the completion of various projects during 1985-86.

NOTE 8: OTHER OPERATING ($7.8 million decrease)

The decrease of $7.8 million in this category is the result of an overall reduction in all departments throughout the Government.

NOTE 9: SOCIAL ASSISTANCE RELATED ($20.6 million increase)

The increase of $20.6 million in this category occurred mainly in the Department of Employment Services and Economic Security. This increase in the Department's expenditure was mainly attributable to an increase of $11.4 million in Social Allowance assistance provided to individuals. This resulted from a $7.8 million or 7.3% increase in the level of support, a $2.6 million or 2.4% increase in caseload and a $1.0 million increase for costs related to the new Sole Support Fathers legislation. In addition, Municipal Assistance payments increased by $2.2 million, primarily due to a 6.6% increase in caseload.

There was also an increase of $7.0 million in the Department of Community Services mainly attributable to: increased spending of $3.5 million in Community Social Services Programs primarily as a result of the implementation of the Welcome Home initiative to place mentally handicapped persons in community residences. Expenditures also increased by $1.0 million in Child Day Care as a result of an increase in the level of support provided to day care centres and an increase in the number of subsidized families.

EXPENDITURE OBJECT CODE CATEGORIES

PERSONNEL SERVICES

All salaries and wages paid to Ministers, contract employees and regular civil servants are included in this category. Also included are indemnities, living and constituency allowances paid to MLA's, overtime, remoteness allowances, shift premiums and other negotiated payments for all employees. The employer portion of mandatory contributions to UIC, CPP, Workers' Compensation, etc. are considered as personnel costs and are reported under this category.

GRANTS/TRANSFER PAYMENTS

Payments to various individuals and organizations in support of various projects and programs including bursaries, cultural activities, charitable organizations, etc. Grants, other than for capital purposes, and transfer payments to other governments and government agencies are reported in this category.

TRANSPORTATION

Payments made for the transportation of government personnel, including Ministers and M.L.A.'s, other citizens and commodities are included in this category. Other costs of travelling such as accommodation and meals are recorded separately under "Other Operating" costs category.

COMMUNICATION

The cost of telephones, telex, postage and other costs related to the dissemination of information to the public or to employees of the government are included in this category.

SUPPLIES AND SERVICES

The cost of goods and services that are used in the current operations of the government such as construction materials, office supplies, utilities, rental of equipment and vehicles and the payment to outside professional persons and firms are included in this category.

PUBLIC DEBT

This includes the costs related to the public debt of the Province such as debt redemptions, premiums, interest and charges by banks for exchange, services, etc.

CAPITAL

The costs for construction or purchases of physical assets that have a useful life in excess of one year including grants made for the acquisition of capital assets by recipient individuals and organizations.

OTHER OPERATING

The payments for accommodation and meals for civil servants while on government business are shown under this classification. Also included are computer related expenditures, insurance, employer educational assistance and other costs that cannot be included in another category.

SOCIAL ASSISTANCE AND RELATED COSTS

Expenditures for goods, services and for benefits provided to citizens for their direct consumption as social assistance provisions.

GOVERNMENT OF THE PROVINCE OF MANITOBA

DEPARTMENTAL APPROPRIATIONS AND EXPENDITURES

Recording Amounts Authorized, Expended and Unexpended
For the Year Ended March 31, 1986

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	LEGISLATION (I)				
1.	Indemnities (Statutory)		$ 1,979,500	$ 1,979,500	$ –
2.	Retirement Allowances including Refunds of Contributions (Statutory)		614,130	614,130	–
3.	Members' Allowances (Statutory)		372,342	372,342	–
4.	Other Assembly Expenditures				
	Main Estimate		1,485,400	1,283,904	201,496
5.	Provincial Auditor's Office				
	Main Estimate		2,323,300	2,235,349	87,951
6.	Ombudsman				
	Main Estimate	$ 316,200			
	Special Warrant	65,000	381,200	372,094	9,106
7.	Electoral Office				
	Main Estimate	$ 303,000			
	Special Warrant	3,011,300	3,314,300	2,233,460	1,080,840
			$ 10,470,172	$ 9,090,779	$ 1,379,393
	EXECUTIVE COUNCIL (II)				
1.	General Administration				
	Main Estimate		$ 2,277,300	$ 2,207,655	$ 69,645
			$ 2,277,300	$ 2,207,655	$ 69,645
	AGRICULTURE (III)				
1.	Administration and Finance				
	Main Estimate		$ 2,679,300	$ 2,432,282	$ 247,018
2.	Manitoba Crop Insurance Corporation				
	Main Estimate	$ 4,680,400			
	Main Estimate *	800,000			
	Special Warrant	125,000	5,605,400	5,525,775	79,625
3.	Manitoba Agricultural Credit Corporation				
	Main Estimate	$ 7,486,700			
	Special Warrant	6,200,000	13,686,700	11,090,260	2,596,440
4.	Agricultural Development and Marketing Division				
	Main Estimate	$ 11,433,900			
	Main Estimate **	(15,900)	11,418,000	10,688,412	729,588
5.	Farm and Rural Development Division				
	Main Estimate		11,981,700	11,512,343	469,357
6.	Policy and Economics Division				
	Main Estimate		2,103,100	1,841,587	261,513
7.	Federal Provincial Agreements				
	Main Estimate		1,515,800	1,448,577	67,223
8.	Income Insurance Fund				
	Main Estimate	$ 7,259,900			
	Special Warrant	2,088,000	9,347,900	9,121,833	226,067
	Carried Forward		$ 58,337,900	$ 53,661,069	$ 4,676,831

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 58,337,900	$ 53,661,069	$ 4,676,831
9.	Drugs and Semen Purchases				
	Main Estimate		4,989,900	4,811,223	178,677
10.	Expenditures Related to Capital				
	Main Estimate	$ 3,920,000			
	Special Warrant	200,000	4,120,000	3,956,947	163,053
			$ 67,447,800	$ 62,429,239	$ 5,018,561
	ATTORNEY-GENERAL (IV)				
1.	Administration and Finance				
	Main Estimate		$ 2,271,200	$ 2,087,377	$ 183,823
2.	Criminal Justice				
	Main Estimate	$ 4,832,900			
	Special Warrant	426,100	5,259,000	5,182,686	76,314
3.	Legal Services				
	Main Estimate	$ 2,928,700			
	Special Warrant	101,200	3,029,900	3,028,898	1,002
4.	Law Enforcement				
	Main Estimate		28,534,000	28,182,609	351,391
5.	Court Services				
	Main Estimate	$ 15,483,600			
	Special Warrant	276,400	15,760,000	15,715,285	44,715
6.	Protection of Individual and Property Rights				
	Main Estimate	$ 16,838,200			
	Special Warrant	429,700	17,267,900	17,155,197	112,703
7.	Judgements (Statutory)		1,088	1,088	-
			$ 72,123,088	$ 71,353,140	$ 769,948
	BUSINESS DEVELOPMENT AND TOURISM (XXXIII)				
1.	Administration				
	Main Estimate		$ 823,600	$ 779,250	$ 44,350
2.	Business Development				
	Main Estimate		3,105,300	3,105,138	162
3.	Tourism				
	Main Estimate	$ 8,427,000			
	Main Estimate *	385,100			
	Special Warrant	2,186,500	10,998,600	10,587,152	411,448
4.	Expenditures Related to Capital				
	Main Estimate		3,209,500	2,622,819	586,681
			$ 18,137,000	$ 17,094,359	$ 1,042,641
	CIVIL SERVICE (XVII)				
1.	Civil Service Commission				
	Main Estimate	$ 3,407,600			
	Special Warrant	23,800	$ 3,431,400	$ 3,397,742	$ 33,658
2.	Civil Service Benefit Plans				
	Main Estimate		39,559,100	35,471,824	4,087,276
3.	Levy for Health and Post-Secondary Education				
	Main Estimate	$ 7,132,000			
	Special Warrant	211,600	7,343,600	7,330,029	13,571
			$ 50,334,100	$ 46,199,595	$ 4,134,505

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	COMMUNITY SERVICES (IX)				
1.	Administration and Finance				
	Main Estimate	$ 2,962,800			
	Special Warrant	65,800	$ 3,028,600	$ 3,001,633	$ 26,967
2.	Registration and Licensing Services				
	Main Estimate		1,150,900	1,130,622	20,278
3.	Community Social Services				
	Main Estimate	$ 59,976,500			
	Special Warrant	853,200	60,829,700	60,154,427	675,273
4.	Child and Family Services				
	Main Estimate	$ 68,456,700			
	Special Warrant	3,977,800	72,434,500	72,337,317	97,183
5.	Corrections				
	Main Estimate	$ 31,434,000			
	Special Warrant	1,637,300	33,071,300	32,681,783	389,517
6.	Status of Women				
	Main Estimate	$ 506,400			
	Special Warrant	9,000	515,400	512,442	2,958
			$ 171,030,400	$ 169,818,224	$ 1,212,176
	CONSUMER AND CORPORATE AFFAIRS (V)				
1.	Administration and Finance				
	Main Estimate		$ 701,300	$ 669,776	$ 31,524
2.	Consumer Affairs				
	Main Estimate		755,700	720,814	34,886
3.	Corporate Affairs				
	Main Estimate	$ 2,876,400			
	Special Warrant	41,400	2,917,800	2,872,999	44,801
			$ 4,374,800	$ 4,263,589	$ 111,211
	CO-OPERATIVE DEVELOPMENT (VI)				
1.	Administration and Finance				
	Main Estimate		$ 439,400	$ 425,507	$ 13,893
2.	Co-operative and Credit Union Development and Regulation				
	Main Estimate		1,376,800	1,206,049	170,751
3.	Interest Forgiveness				
	Main Estimate	$ 4,774,900			
	Special Warrant	183,300	4,958,200	4,941,666	16,534
			$ 6,774,400	$ 6,573,222	$ 201,178
	CROWN INVESTMENTS (XXII)				
1.	Crown Investments Administration				
	Main Estimate		$ 891,900	$ 811,916	$ 79,984
			$ 891,900	$ 811,916	$ 79,984
	CULTURE, HERITAGE AND RECREATION (XIV)				
1.	Administration and Finance				
	Main Estimate		$ 1,046,500	$ 1,019,527	$ 26,973
2.	Culture, Heritage and Recreation Programs				
	Main Estimate		15,667,300	15,468,415	198,885
3.	Communication Services				
	Main Estimate	$ 2,511,000			
	Special Warrant	537,700	3,048,700	3,290,615	(241,915)
	Carried Forward		$ 19,762,500	$ 19,778,557	$ (16,057)

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 19,762,500	$ 19,778,557	$ (16,057)
4.	Telecommunications Policy				
	Main Estimate	$ 254,900			
	Special Warrant	16,100	271,000	269,231	1,769
5.	Expenditures Related to Capital				
	Main Estimate		513,600	421,645	91,955
			$ 20,547,100	$ 20,469,433	$ 77,667
	EDUCATION (XVI)				
1.	Administration and Finance				
	Main Estimate		$ 5,173,800	$ 5,134,410	$ 39,390
2.	Teachers' Retirement Allowances Fund And Operational Support Services				
	Main Estimate		19,318,500	18,789,038	529,462
3.	Financial Support – Public Schools				
	Main Estimate		379,604,700	379,479,834	124,866
4.	Program Development Support Services				
	Main Estimate		15,630,000	15,531,907	98,093
5.	Post-Secondary, Adult and Continuing Education				
	Main Estimate	$ 59,397,200			
	Special Warrant	1,300,500	60,697,700	60,031,945	665,755
6.	Universities Grants Commission				
	Main Estimate		156,311,000	156,300,634	10,366
7.	Bureau de l'Education Francaise				
	Main Estimate	$ 3,509,200			
	Special Warrant	237,100	3,746,300	3,720,411	25,889
8.	Expenditures Related to Capital				
	Main Estimate		24,370,300	24,039,105	331,195
			$ 664,852,300	$ 663,027,284	$ 1,825,016
	EMPLOYMENT SERVICES AND ECONOMIC SECURITY (XXXIV)				
1.	Administration and Finance				
	Main Estimate		$ 2,266,800	$ 2,205,787	$ 61,013
2.	Economic Security				
	Main Estimate	$ 168,650,800			
	Special Warrant	14,330,000	182,980,800	180,626,976	2,353,824
3.	Employment Services				
	Main Estimate		12,746,500	12,483,802	262,698
4.	Manitoba Bureau of Statistics				
	Main Estimate	$ 372,700			
	Special Warrant	3,300	376,000	373,009	2,991
			$ 198,370,100	$ 195,689,574	$ 2,680,526
	ENERGY AND MINES (XXIII)				
1.	Administration and Finance				
	Main Estimate		$ 1,016,500	$ 987,892	$ 28,608
2.	Energy				
	Main Estimate	$ 2,880,600			
	Main Estimate *	181,000	3,061,600	2,444,625	616,975
3.	Mineral Resources				
	Main Estimate	$ 6,170,300			
	Main Estimate *	363,000			
	Special Warrant	13,500	6,546,800	6,533,049	13,751
4.	Expenditures Related to Capital				
	Main Estimate	$ 1,306,400			
	Main Estimate *	69,700	1,376,100	933,515	442,585
			$ 12,001,000	$ 10,899,081	$ 1,101,919

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH (XXXI)				
1.	Administration and Finance				
	Main Estimate		$ 1,347,800	$ 1,335,743	$ 12,057
2.	Environmental Management				
	Main Estimate		7,101,500	6,866,745	234,755
3.	Clean Environment Commission				
	Main Estimate		319,100	304,502	14,598
4.	Manitoba Environmental Council				
	Main Estimate		64,200	63,920	280
5.	Workplace and Worker Services				
	Main Estimate		3,369,000	3,223,575	145,425
			$ 12,201,600	$ 11,794,485	$ 407,115
	FINANCE (VII)				
1.	Administration and Finance				
	Main Estimate		$ 761,200	$ 747,423	$ 13,777
2.	Treasury Division				
	Main Estimate		901,600	873,374	28,226
3.	Comptroller's Division				
	Main Estimate		4,347,300	4,249,655	97,645
4.	Taxation Division				
	Main Estimate		7,482,100	6,925,500	556,600
5.	Federal–Provincial Relations and Research Division				
	Main Estimate	$ 1,099,800			
	Special Warrant	70,700	1,170,500	1,150,129	20,371
6.	Administrative Policy/Insurance and Risk Management				
	Main Estimate	$ 539,700			
	Special Warrant	448,500	988,200	977,912	10,288
7.	Tax Credit Payments				
	Main Estimate	$ 198,400,000			
	Special Warrant	1,500,000	199,900,000	198,658,135	1,241,865
8.	Local Government General Support Grant				
	Main Estimate		13,600,000	13,333,619	266,381
9.	Public Debt (Statutory)		272,766,534	272,766,534	–
10.	Hydro Rates Stabilization (Statutory)		34,046,998	34,046,998	–
			$ 535,964,432	$ 533,729,279	$ 2,235,153
	GOVERNMENT SERVICES (VIII)				
1.	Administration				
	Main Estimate		$ 1,913,100	$ 1,871,533	$ 41,567
2.	Property Management				
	Main Estimate	$ 84,617,700			
	Special Warrant	7,201,400	91,819,100	88,111,213	3,707,887
3.	Supply and Services				
	Main Estimate		3,396,600	3,337,820	58,780
4.	Project Services				
	Main Estimate	$ 2,708,600			
	Special Warrant	142,500	2,851,100	2,863,410	(12,310)
5.	Land Value Appraisal Commission				
	Main Estimate		62,100	25,574	36,526
6.	Emergency Measures Organization				
	Main Estimate		633,300	561,243	72,057
7.	Expenditures Related to Capital				
	Main Estimate		29,627,900	20,575,047	9,052,853
			$ 130,303,200	$ 117,345,840	$ 12,957,360

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	HEALTH (XXI)				
1.	Administration and Finance				
	Main Estimate		$ 2,638,200	$ 2,367,714	$ 270,486
2.	Community Health Program				
	Main Estimate	$ 42,770,200			
	Special Warrant	1,197,900	43,968,100	43,936,018	32,082
3.	Community Health Operations				
	Main Estimate		54,567,000	53,820,578	746,422
4.	Children's Psychiatric and Forensic Services				
	Main Estimate		1,946,100	1,716,070	230,030
5.	Sport				
	Main Estimate		654,000	638,049	15,951
6.	The Alcoholism Foundation of Manitoba				
	Main Estimate	$ 9,082,700			
	Special Warrant	260,000	9,342,700	9,342,700	–
7.	Manitoba Health Services Commission				
	Main Estimate	$ 994,678,200			
	Special Warrant	29,689,800	1,024,368,000	1,014,242,300	10,125,700
8.	Expenditures Related to Capital–Manitoba Health Services Commission				
	Main Estimate		30,095,800	22,956,700	7,139,100
			$ 1,167,579,900	$ 1,149,020,129	$ 18,559,771
	HIGHWAYS AND TRANSPORTATION (XV)				
1.	Administration and Finance				
	Main Estimate		$ 2,904,200	$ 2,799,218	$ 104,982
2.	Operations and Maintenance				
	Main Estimate	$ 66,800,500			
	Special Warrant	1,522,000	68,322,500	68,276,427	46,073
3.	Planning and Design and Land Surveys				
	Main Estimate	$ 2,676,900			
	Special Warrant	72,000	2,748,900	2,720,748	28,152
4.	Engineering and Technical Services				
	Main Estimate		12,323,200	12,096,516	226,684
5.	Transportation Policy and Research				
	Main Estimate		1,221,200	1,120,039	101,161
6.	Driving and Vehicle Licensing				
	Main Estimate	$ 11,004,000			
	Special Warrant	1,980,100	12,984,100	12,817,060	167,040
7.	Expenditures Related to Capital				
	Main Estimate	$ 104,125,200			
	Main Estimate **	(863,000)	103,262,200	94,674,848	8,587,352
			$ 203,766,300	$ 194,504,856	$ 9,261,444
	HOUSING (XXX)				
1.	General Administration				
	Main Estimate		$ 3,500,500	$ 3,050,413	$ 450,087
2.	Property Management and Landlord and Tenant Affairs				
	Main Estimate		2,900,600	2,770,111	130,489
3.	Program Delivery				
	Main Estimate		10,982,500	10,121,720	860,780
4.	Transfer Payments to the Manitoba Housing and Renewal Corporation				
	Main Estimate		24,622,600	23,010,072	1,612,528
5.	Expenditures Related to Capital				
	Main Estimate		2,000,000	1,279,846	720,154
			$ 44,006,200	$ 40,232,162	$ 3,774,038

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	INDUSTRY, TRADE AND TECHNOLOGY (X)				
1.	Administration and Finance				
	Main Estimate		$ 2,704,000	$ 2,534,896	$ 169,104
2.	Industry and Trade Division				
	Main Estimate	$ 2,519,300			
	Special Warrant	98,200	2,617,500	2,483,290	134,210
3.	Technology Division				
	Main Estimate		3,644,900	3,505,102	139,798
4.	Canada-Manitoba Economic Development Planning Agreement				
	Main Estimate		100,000	65,152	34,848
			$ 9,066,400	$ 8,588,440	$ 477,960
	LABOUR (XI)				
1.	Administration and Finance				
	Main Estimate		$ 1,450,500	$ 1,406,974	$ 43,526
2.	Labour				
	Main Estimate	$ 7,470,500			
	Special Warrant	396,200	7,866,700	7,705,159	161,541
3.	Expenditures Related to Capital				
	Main Estimate		41,000	40,899	101
			$ 9,358,200	$ 9,153,032	$ 205,168
	MUNICIPAL AFFAIRS (XIII)				
1.	Administration and Finance				
	Main Estimate		$ 1,077,300	$ 930,685	$ 146,615
2.	Municipal Board				
	Main Estimate		304,500	300,113	4,387
3.	Municipal Advisory and Financial Services				
	Main Estimate		25,910,700	25,590,187	320,513
4.	Municipal Assessments				
	Main Estimate		4,508,800	4,341,472	167,328
5.	Systems Services				
	Main Estimate		1,164,600	711,183	453,417
6.	Municipal Planning Services				
	Main Estimate		2,919,200	2,866,264	52,936
7.	Provincial Planning				
	Main Estimate		360,600	352,531	8,069
8.	Expenditures Related to Capital				
	Main Estimate		3,150,000	2,733,744	416,256
			$ 39,395,700	$ 37,826,179	$ 1,569,521
	NATURAL RESOURCES (XII)				
1.	Administration and Finance				
	Main Estimate		$ 4,012,200	$ 3,918,207	$ 93,993
2.	Regional Services				
	Main Estimate	$ 19,440,800			
	Special Warrant	960,500	20,401,300	20,045,967	355,333
3.	Engineering and Construction				
	Main Estimate	$ 6,769,900			
	Special Warrant	141,400	6,911,300	6,783,782	127,518
4.	Water Resources				
	Main Estimate	$ 9,098,500			
	Main Estimate *	49,500	9,148,000	8,628,421	519,579
	Carried Forward		$ 40,472,800	$ 39,376,377	$ 1,096,423

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 40,472,800	$ 39,376,377	$ 1,096,423
5.	Parks				
	Main Estimate	$ 13,054,200			
	Special Warrant	12,700	13,066,900	12,887,272	179,628
6.	Lands				
	Main Estimate		2,080,800	2,008,296	72,504
7.	Forestry				
	Main Estimate		7,763,100	7,311,487	451,613
8.	Fisheries				
	Main Estimate	$ 3,707,500			
	Special Warrant	181,800	3,889,300	3,789,904	99,396
9.	Wildlife				
	Main Estimate	$ 3,874,500			
	Special Warrant	616,600	4,491,100	4,372,898	118,202
10.	Surveys and Mapping				
	Main Estimate	$ 2,951,000			
	Special Warrant	86,400	3,037,400	2,956,227	81,173
11.	Resource Support Programs				
	Main Estimate		758,600	589,030	169,570
12.	Expenditures Related to Capital				
	Main Estimate	$ 13,295,000			
	Main Estimate *	900,000	14,195,000	12,380,756	1,814,244
13.	Judgement (Statutory)		86,000	86,000	–
			$ 89,841,000	$ 85,758,247	$ 4,082,753
	NORTHERN AFFAIRS (XIX)				
1.	Administration and Finance				
	Main Estimate	$ 1,012,300			
	Special Warrant	6,800	$ 1,019,100	$ 998,997	$ 20,103
2.	Local Government Development				
	Main Estimate		6,895,800	6,671,489	224,311
3.	Agreements Management and Co-ordination				
	Main Estimate	$ 2,965,900			
	Main Estimate *	233,400	3,199,300	2,954,379	244,921
4.	Corporate Projects				
	Main Estimate	$ 242,500			
	Special Warrant	92,000	334,500	331,479	3,021
5.	Northern Development Agreement–Canada–Manitoba				
	Main Estimate	$ 9,323,800			
	Main Estimate *	2,062,500			
	Main Estimate **	15,900	11,402,200	10,807,593	594,607
6.	Expenditures Related to Capital				
	Main Estimate	$ 6,287,100			
	Main Estimate *	699,400			
	Main Estimate **	863,000	7,849,500	7,778,795	70,705
			$ 30,700,400	$ 29,542,732	$ 1,157,668
	URBAN AFFAIRS (XX)				
1.	Administration and Finance				
	Main Estimate		$ 417,300	$ 396,196	$ 21,104
2.	Financial Assistance to the City of Winnipeg				
	Main Estimate		33,900,000	33,900,000	–
3.	Urban Policy Co-ordination				
	Main Estimate	$ 4,943,700			
	Main Estimate *	154,200	5,097,900	4,739,242	358,658
	Carried Forward		$ 39,415,200	$ 39,035,438	$ 379,762

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 39,415,200	$ 39,035,438	$ 379,762
4.	Agreement for Recreation and Conservation for the Red River Corridor Main Estimate		125,000	123,441	1,559
5.	Expenditures Related to Capital				
	Main Estimate	$ 27,000,100			
	Main Estimate *	716,000	27,716,100	24,316,777	3,399,323
			$ 67,256,300	$ 63,475,656	$ 3,780,644
	CANADA-MANITOBA ENABLING VOTE (XXVI)				
1.	Canada-Manitoba Enabling Vote				
	Main Estimate	$ 9,918,400			
	Main Estimate *	(6,613,800)	$ 3,304,600	$ –	$ 3,304,600
			$ 3,304,600	$ –	$ 3,304,600
	EMERGENCY INTEREST RATE RELIEF (XXVIII)				
1.	Emergency Interest Rate Relief Program Main Estimate		$ 1,914,700	$ 1,905,453	$ 9,247
			$ 1,914,700	$ 1,905,453	$ 9,247
	FLOOD CONTROL AND EMERGENCY EXPENDITURES (XVIII)				
1.	Flood Control and Emergency Expenditures				
	Main Estimate	$ 1,000,000			
	Special Warrant	1,050,000	$ 2,050,000	$ 1,885,236	$ 164,764
			$ 2,050,000	$ 1,885,236	$ 164,764
	MANITOBA JOBS FUND (XXIX)				
1.	Manitoba Jobs Fund Main Estimate		$ 83,160,000	$ 80,199,105	$ 2,960,895
			$ 83,160,000	$ 80,199,105	$ 2,960,895

SUMMARY OF DEPARTMENTAL APPROPRIATIONS AND EXPENDITURES

For The Year Ended 31st March, 1986

Department	Amount Authorized	Expended	Unexpended
Legislation	$ 10,470,172	$ 9,090,779	$ 1,379,393
Executive Council	2,277,300	2,207,655	69,645
Agriculture	67,447,800	62,429,239	5,018,561
Attorney-General	72,123,088	71,353,140	769,948
Business Development and Tourism	18,137,000	17,094,359	1,042,641
Civil Service	50,334,100	46,199,595	4,134,505
Community Services	171,030,400	169,818,224	1,212,176
Consumer and Corporate Affairs	4,374,800	4,263,589	111,211
Co-operative Development	6,774,400	6,573,222	201,178
Crown Investments	891,900	811,916	79,984
Culture, Heritage and Recreation	20,547,100	20,469,433	77,667
Education	664,852,300	663,027,284	1,825,016
Employment Services and Economic Security	198,370,100	195,689,574	2,680,526
Energy and Mines	12,001,000	10,899,081	1,101,919
Environment and Workplace Safety and Health	12,201,600	11,794,485	407,115
Finance	535,964,432	533,729,279	2,235,153
Government Services	130,303,200	117,345,840	12,957,360
Health	1,167,579,900	1,149,020,129	18,559,771
Highways and Transportation	203,766,300	194,504,856	9,261,444
Housing	44,006,200	40,232,162	3,774,038
Industry Trade and Technology	9,066,400	8,588,440	477,960
Labour	9,358,200	9,153,032	205,168
Municipal Affairs	39,395,700	37,826,179	1,569,521
Natural Resources	89,841,000	85,758,247	4,082,753
Northern Affairs	30,700,400	29,542,732	1,157,668
Urban Affairs	67,256,300	63,475,656	3,780,644
Canada-Manitoba Enabling Vote	3,304,600	–	3,304,600
Emergency Interest Rate Relief	1,914,700	1,905,453	9,247
Flood Control and Emergency Expenditures	2,050,000	1,885,236	164,764
Manitoba Jobs Funds	83,160,000	80,199,105	2,960,895
	$ 3,729,500,392	$ 3,644,887,921	$ 84,612,471

RECONCILIATION WITH THE APPROPRIATION ACT, 1985, SPECIAL WARRANTS, ETC.

Departmental Appropriations Authorized by "The Appropriation Act, 1985"	$ 3,333,355,700
Amount Authorized by Special warrants Pages 4-40 to 4-41	86,278,100
Statutory Appropriations:	
Members and Speakers Indemnities and Allowances	2,965,972
Public Debt	272,766,534
Hydro Rates Stabilization	34,046,998
Judgements - Attorney-General and Natural Resources	87,088
	$ 3,729,500,392

* Main Estimate Authority transferred from appropriation XXVI-I, Canada-Manitoba Enabling Vote to various departmental appropriations pursuant to the Appropriation Act, 1985 Section 5, Subsection 1.

** Additional Authority was provided to various departments for the Canada-Manitoba Northern Development Agreement pursuant to The Appropriation Act, 1985, Section 5, Subsections 2 and 3.

NOTE 1: The Advertising Audit Office, Appropriation XIV-3 under the Department of Culture, Heritage and Recreation, processed expenditures in excess of that recovered from Departments totalling $21,986 as follows:

Total Expended	$ 3,051,738
Recoveries	2,797,352
	$ 254,386
Less: Authorized	232,400
Net Overexpended	$ 21,986

Pursuant to section 6 of the Appropriation Act 1985, these expenditures were made in anticipation of recoveries in the 1986/87 fiscal year.

The Queen's Printer appropriation XIV-3 under the Department of Culture, Heritage and Recreation processed expenditures in excess of that recovered from Departments totalling $243,090 as follows:

Total Expended	$ 5,435,631
Recoveries	3,595,041
	$ 1,840,590
Less Authorized	1,597,500
Net overexpended	$ 243,090

Pursuant to section 6 of "The Appropriation Act, 1985", these expenditures were made in anticipation of recoveries in the 1986/87 fiscal year.

In addition to the above noted overexpenditure, appropriation XIV-3, Communication Services, incurred $404,575 in late accounts payments during the 1985-86 fiscal year.

NOTE 2: Land Acquistion Appropriaton VIII-4 under the Department of Government Services proceesed expenditures in excess of that recovered from Departments totalling $25,306 as follows:

Total Expended	$ 1,189,453
Recoveries	842,057
	$ 347,396
Less Authorized	322,090
Net Overexpended	$ 25,306

Pursuant to section 6 of the Appropriaton Act 1985, these expenditures were made in anticipation of recoveries in the 1986/87 fiscal year.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF GROSS CAPITAL EXPENDITURES AND FUTURE CONTRACT COMMITMENTS

For the Year Ended March 31, 1986

DEPARTMENT	APPROPRIATION NUMBER	1985-86 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1986
LEGISLATION:			
Minor Capital from Current Operating Appropriations		$ 51,960	
EXECUTIVE COUNCIL:			
Minor Capital from Current Operating Appropriations		$ 15,902	
AGRICULTURE:			
Water Development Grants	3-10A-1	$ 365,792	$ 204,538
Future Water Use	3-10A-2	34,841	
Sewer and Water Grants	3-10A-3	3,556,314	19,037,265
Minor Capital from Current Operating Appropriations		1,192,834	
Rentals/Lease Agreements			175,364
		$ 5,149,781	$ 19,417,167
ATTORNEY-GENERAL:			
Minor Capital from Current Operating Appropriations		$ 372,714	
Rental/Lease Agreements			$ 110,154
		$ 372,714	$ 110,154
BUSINESS DEVELOPMENT AND TOURISM:			
Destination Manitoba	33-4A-1	$ 2,622,819	
Minor Capital from Current Operating Appropriations		136,043	
Rental/Lease Agreements			$ 7,300
		$ 2,758,862	$ 7,300
CIVIL SERVICE:			
Minor Capital from Current Operating Appropriations		$ 144,606	$ 140,000
COMMUNITY SERVICES:			
Minor Capital from Current Operating Appropriations		$ 470,130	
CONSUMER AND CORPORATE AFFAIRS:			
Minor Capital from Current Operating Appropriations		$ 140,822	
CO-OPERATIVE DEVELOPMENT:			
Minor Capital from Current Operating Appropriations		$ 15,551	
CROWN INVESTMENTS:			
Minor Capital from Current Operating Appropriations		$ 11,254	
CULTURE, HERITAGE AND RECREATION:			
St. Norbert Heritage Park	14-5A-1	$ 17,363	
Building Surveys	14-5A-2	25,416	
Multicultural Grants	14-5B-1	96,666	
Centennial Centre Corporation	14-5B-2	132,200	
Cultural Facility Grants	14-5B-3	20,000	
Museum of Man and Nature	14-5B-4	100,000	
Carried Forward		$ 391,645	

DEPARTMENT	APPROPRIATION NUMBER	1985-86 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1986
Brought Forward		$ 391,645	
Western Man Centennial Auditorium	14-5B-5	30,000	
Minor Capital from Current Operating Appropriations		264,651	
		$ 686,296	
EDUCATION:			
Red River Community College	16-8A-1	$ 802,740	$ 3,344
Assiniboine Community College	16-8A-2	419,422	9,042
Keewatin Community College	16-8A-3	185,843	85,117
Canada/Manitoba Skills Fund	16-8A-4	508,600	
Universities	16-8B-1	4,000,000	
School Divisions	16-8B-2	18,122,500	
Minor Capital from Current Operating Appropriations		769,245	
Rental/Lease Agreements			3,925,140
		$ 24,808,350	$ 4,022,643
EMPLOYMENT SERVICES AND ECONOMIC SECURITY:			
Minor Capital from Current Operating Appropriations		$ 404,611	
Rental/Lease Agreements			$ 988,655
		$ 404,611	$ 988,655
ENERGY AND MINES:			
Canada/Manitoba Mineral Agreement	23-4A	$ 188,089	
Provincial Energy Programs	23-4B	745,426	
Minor Capital from Current Operating Appropriations		1,594,166	
Rental/Lease Agreements			$ 971,752
		$ 2,527,681	$ 971,752
ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH:			
Minor Capital from Current Operating Appropriations		$ 240,520	
FINANCE:			
Minor Capital from Current Operating Appropriations		$ 316,095	
GOVERNMENT SERVICES:			
Development Centre - Portage la Prairie	8-7A-1	$ 131,667	$ 195,022
Minor Projects - Energy & Mines	8-7A-2	40,767	670
Old Law Courts - Winnipeg	8-7A-3	4,047,469	5,314,383
School for the Deaf - Winnipeg	8-7A-4	29,940	
Headingly Correctional Institute	8-7A-5	41,593	252,777
New Court House - Winnipeg	8-7A-6	1,041,406	42,434
New Remand Centre - Winnipeg	8-7A-7	137,482	672,518
Minor Projects - Attorney-General	8-7A-8	424,622	14,429
Bank of Nova Scotia Bldg - Winnipeg	8-7A-9	1,241,549	1,576,717
Minor Projects - Community Services	8-7A-10	670,861	25,261
Systems Equipment	8-7A-11	33,010	
Archives Building - Winnipeg	8-7A-12	62,690	67,658
Office Equipment - Replacement	8-7A-13	353,086	
Accelerated Minor Projects - Brandon	8-7A-14	4,972	
Robert Fletcher Building - Winnipeg	8-7A-15	209,588	32,530
Minor Projects - Highways & Transportation	8-7A-16	514,617	27,805
New Provincial Building - Flin Flon	8-7A-17	1,791,978	102,281
Keewatin Community College - The Pas	8-7A-18	150,697	53,779
Norquay Building Upgrade - Winnipeg	8-7A-19	22,027	1,054,853
Minor Projects - Government Services	8-7A-20	714,092	116,704
Office Equipment - New	8-7A-21	216,947	49,766
Carried Forward		$ 11,881,060	$ 9,599,587

DEPARTMENT	APPROPRIATION NUMBER	1985-86 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1986
Brought Forward		$ 11,881,060	$ 9,599,587
Brandon Mental Health Centre	8-7A-22	44,927	162,722
Selkirk Mental Health Centre	8-7A-23	1,146,307	79,027
Minor Projects – Agriculture	8-7A-25	86,841	
Minor Projects – Business Development and Tourism	8-7A-26	49,849	
Minor Projects – Co-operative Development	8-7A-27	107	
Minor Projects – Culture, Heritage and Recreation	8-7A-28	340,403	352,071
Minor Projects – Education	8-7A-29	76,026	2,386
Minor and Emergency Projects	8-7A-30	849,525	50,352
Life Support Systems	8-7A-31	32,128	24,815
Wm Ward Laboratory – Swan River	8-7A-32	54,581	20,424
Dutch Elm Program	8-7A-33	35,457	
Gimli Industrial Park	8-7A-34	81,182	5,150
Employee Housing Projects	8-7A-35	73,812	550
Workplace Safety Projects	8-7A-36	56,258	1,784
Technical and Energy Services	8-7A-37	218,186	17,878
Administrative Services – Auto Management	8-7A-38	49,941	
Minor Projects – Employment Services and Economic Security	8-7A-39	39,312	
Minor Projects – Health	8-7A-41	227,914	1,000
Minor Projects – Housing	8-7A-42	91,769	
Minor Projects – Natural Resources	8-7A-43	37,312	
Parkland Regional Training – Dauphin	8-7A-44	1,088,725	10,839
Vehicle Replacement	8-7B	4,013,425	421,567
Minor Capital from Current Operating Appropriations		403,827	
Self Constructed Assets from Current Operating Appropriations		449,380	
Property Management	8-2		46,999
Supply and Services	8-3		2,430
Emergency Measures	8-6		4,908
Rental/Lease Agreements			88,628,908
		$ 21,428,254	$ 99,433,397
HEALTH:			
Acquisition/Construction Physical Assets	21-8A	$ 2,040,700	
Capital Grants	21-8B	20,916,000	
Minor Capital from Current Operating Appropriations		634,793	
Computer Related Commitments			
602 Eaton Place			$ 49,112
831 Portage Avenue			19,588
Equipment Purchases – MHSC			1,860,000
Rental/Lease Agreements			1,504,566
		$ 23,591,493	$ 3,433,266
HIGHWAYS AND TRANSPORTATION:			
Construction – Roads and Projects	15-7A	$ 86,254,536	$ 22,740,118
Aid to Cities, Towns and Villages	15-7B	1,530,792	
LGD's and Unorganized Territories	15-7C	3,823,917	203,195
Access – Remote Communities	15-7D	606,635	
Airport Improvements	15-7E-1A	744,980	
Gravel Pits	15-7E-1B	158,702	94,779
Highways Equipment	15-7E-1C	691,298	
Water Bomber Contract	15-7E-1D	234,664	1,029,854
Building and Storage Yards	15-7E-1E	578,598	293
Improvements – Weigh Scales	15-7E-1F	73,882	
Carried Forward		$ 94,698,004	$ 24,068,239

DEPARTMENT	APPROPRIATION NUMBER	1985-86 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1986
Brought Forward		$ 94,698,004	$ 24,068,239
Ferry Landing Improvements	15-7E-1G	64,955	
Grants – Mobility Disadvantaged	15-7E-1H	10,000	
Air Hangar – Thompson	15-7E-1J	22,656	
Ferries	15-7E-1K	284,320	
Bridge Material Purchases – Net	15-7F	(94,006)	
Crushed Gravel Purchases – Net	15-7G	(311,081)	
Operations and Maintenance	15-2		587,405
Engineering And Technical Services	15-4		171,068
Minor Capital from Current Operating Appropriations		3,371,895	368,769
Self Constructed Assets From Current Operating Appropriations		9,158,100	
Rental/Lease Agreements			121,350
		$ 107,204,843	$ 25,316,831
HOUSING:			
Critical Home Repair Program	30-5A-1	$ 1,279,846	$ 124,050
Administration Support Services	30-1E		267,354
Housing Grants	30-3B		206,000
Minor Capital from Current Operating Appropriations		164,195	
Rental/Lease Agreements			82,043
		$ 1,444,041	$ 679,447
INDUSTRY, TRADE AND TECHNOLOGY:			
Minor Capital from Current Operating Appropriations		$ 285,121	
Rental/Lease Agreements			$ 137,900
		$ 285,121	$ 137,900
LABOUR:			
Acquisition/Construction of Physical Assets	11-3A	$ 40,899	
Minor Capital from Current Operating Appropriations		88,847	
		$ 129,746	
MUNICIPAL AFFAIRS:			
Main Street Manitoba	13-8A-1	$ 2,666,540	$ 1,439,610
Urban Bus Transit Purchases	13-8A-2	67,204	
Minor Capital from Current Operating Appropriations		171,014	
		$ 2,904,758	$ 1,439,610
NATURAL RESOURCES:			
Parks – Northern Park Development	12-12A-5A	$ 228,716	
Computer Equipment	12-12B-1A	122,166	
Regional – Equipment Purchases	12-12B-2A	250,000	
Regional Infrastructure	12-12B-2B	74,756	
Western Road Maintenance	12-12B-2C	25,000	
Engineering – Materials Inventory	12-12B-3A	(39,055)	
Water Resources – Land Drainage	12-12B-4A	759,759	
Bridge Replacement	12-12B-4B	506,522	
Value Added Crops	12-12B-4C	3,940,724	$ 319,869
Water Development Agreement	12-12B-4D	391,591	
Pasquia Polder III	12-12B-4E	91,770	
Oak Lake Regulations	12-12B-4F	25,000	33,500
South Central Interlake	12-12B-4H	84,237	
Valley Town Dykes	12-12B-4J	1,024,009	
Can/Man Agri-Food Agreement	12-12B-4K	47,898	
Carried Forward		$ 7,533,093	$ 353,369

DEPARTMENT	APPROPRIATION NUMBER	1985-86 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1986
Brought Forward		$ 7,533,093	$ 353,369
Vermillion River Dam	12-12B-4M	11,146	
Computer Equipment Purchases	12-12B-4N	167,858	
Park Development	12-12B-5A	1,568,639	
Vacation Home Lots	12-12B-5B	126,528	
Major New Initiatives	12-12B-5C	409,375	127,415
Fort Whyte Centre - Taxes	12-12B-5D	20,355	
Lands - Subdivision/Upgrading	12-12B-6A	68,671	
Equipment Purchases	12-12B-6B	44,787	
Forestry - Equipment Purchases	12-12B-7A	46,152	
Fisheries - Equipment Purchases	12-12B-8A	50,000	
Red River Floodway	12-12B-8B	9,000	
Wildlife Equipment Purchases	12-12B-9A	33,860	
Facility Enhancement	12-12B-9B	35,331	
Oak Hammock Marsh	12-12B-9C	365,895	8,845
Oak Hammock Visitor Centre	12-12B-9D	43	
Mapping - Equipment Purchases	12-12B-10A	27,276	
Capital Grants	12-12C	1,862,747	
Computer Related Commitments	12-1		1,764
Regional Services	12-2		20,589
Water Resources	12-4		249,278
Parks	12-5		5,612
Lands	12-6		43,286
Forestry	12-7		2,623
Wildlife	12-9		8,605
Minor Capital from Current Operating Appropriations		1,806,950	
Self Constructed Assets from Current Operating Appropriations		4,508,690	
Rental/Lease Agreements			32,913
		$ 18,696,396	$ 854,299
NORTHERN AFFAIRS:			
Shareable Northern Development	19-6A-1	$ 4,319,808	$ 163,784
Other Departments	19-6A-2	1,767,572	1,814,817
Non-Shareable Projects	19-6B-1A	328,645	57,493
Northern Communities	19-6B-1B	494,846	
Northern Flood Agreement	19-6B-2	867,924	
Research and Planning	19-1		2,475
Agreements Management and Co-ordination	19-3B		6,796
Special ARDA Agreement	19-3C		545,884
Sewer and Water Construction			160,704
Minor Capital from Current Operating Appropriations		950,215	
Self Constructed Assets from Current Operating Appropriations		273,759	
		$ 9,002,769	$ 2,751,953
URBAN AFFAIRS:			
Payments - Jurisdictions	20-5A-1	$ 2,408,142	
North Logan Services-Housing	20-5A-2A	85,980	
Home Ownership - Housing	20-5A-2B	411,500	$ 150,000
Small Business- Business, Development and Tourism	20-5A-2C	1,045,942	
Community Facilities	20-5A-3A	1,205,756	828,781
Land Acquisition	20-5A-3B	4,060,546	5,988,106
North Logan Redevelopment Project	20-5A-4	80,000	
St. Boniface Docks	20-5B-1C	44,525	
River Road Parkway	20-5B-1D	118,533	
Trappist Monastery	20-5B-1F	204,969	35,597
Lockport	20-5B-1I	121,916	
Point Douglas	20-5B-1K	2,000	
Carried Forward		$ 9,789,809	$ 7,002,484

DEPARTMENT	APPROPRIATION NUMBER	1985-86 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1986
Brought Forward		$ 9,789,809	$ 7,002,484
St. Norbert X-Kalay	20-5B-1P	84,155	
1984 Bus Purchases - Old	20-5C-1A	3,026,957	
Transit Projects - Old	20-5C-1B	71,988	96,827
Community Projects - Old	20-5C-1C	830,299	1,519,129
Bridge Improvements - New	20-5C-1D	2,566,343	756,157
Urban Transit - New	20-5C-1E	3,816,589	328,367
Transit Projects - New	20-5C-1F	10,679	219,321
Park and Zoo Projects - New	20-5C-1G	533,774	13,126
Sewer Projects - New	20-5C-1H	40,940	59,060
Community Program - New	20-5C-1I		1,400,000
Sewer - Flood Relief New	20-5C-1J	2,152,266	978,634
Programs Grant - New	20-5C-1K	1,000,000	
Urban Land Assembly	20-5C-1L	392,978	
Urban Capital Projects			13,732,690
Minor Capital from Current Operating Appropriations		16,570	
		$ 24,333,347	$ 26,105,795
MANITOBA JOBS FUND:			
Expenditures Related to Capital	29-1A-2	$ 10,461,215	
Expenditures Related to Capital	29-1B-2	3,966,887	
Expenditures Related to Capital	29-1C-2	15,090,523	$ 12,542,312
		$ 29,518,625	$ 12,542,312
TOTAL		$ 276,654,528	$ 198,352,481

NOTE 1: The future commitment amount for Government Services includes one year's rental under a lease agreement with Manitoba Properties Inc. The lease, which has a term of ninety-nine years, provides for annual rentals of $58,962,043 for an initial five year term with provision for renegotiation of rental payments every five years thereafter.

NOTE 2: The Appropriaton Act, 1985 authorizes the Government to commit expenditures up to an amount not exceeding $220,000,000 for the purpose of ensuring completion of projects or fulfilling contracts initiated prior to March 31, 1986. Any expenditures so committed must be included in the estimates of the fiscal year in which the expenditures are expected to be made.

Accordingly, the Departmental commitments shown relate to long-term ongoing contracts covering the acquisition and/or rental of Capital Assets.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF SPECIAL WARRANTS OF HER HONOUR

THE LIEUTENANT-GOVERNOR OF MANITOBA

ISSUED RELATIVE TO THE YEAR ENDED MARCH 31, 1986

LEGISLATION (I):				
18th September, 1985	I-7	Electoral Office	$	109,400
19th December, 1985	I-7	Electoral Office		101,900
7th February, 1986	I-6	Ombudsman		65,000
12th February, 1986	I-7	Electoral Office		2,800,000
AGRICULTURE (III):				
7th February, 1986	III-2	Manitoba Crop Insurance Corporation		125,000
7th February, 1986	III-3	Manitoba Agricultural Credit Corporation		6,200,000
7th February, 1986	III-8	Income Insurance Fund		2,088,000
7th February, 1986	III-10	Expenditures Related to Capital		200,000
ATTORNEY-GENERAL (IV):				
7th February, 1986	IV-2	Criminal Justice		426,100
7th February, 1986	IV-3	Legal Services		101,200
7th February, 1986	IV-5	Court Services		276,400
7th February, 1986	IV-6	Protection of Individual and Property Rights		429,700
BUSINESS DEVELOPMENT AND TOURISM (XXXIII):				
18th December, 1986	XXXIII-3	Tourism		1,672,500
7th February, 1986	XXXIII-3	Tourism		514,000
CIVIL SERVICE (XVII):				
7th February, 1986	XVII-1	Civil Service Commission		23,800
7th February, 1986	XVII-3	Levy for Health and Post-Secondary Education		211,600
COMMUNITY SERVICES (IX):				
7th February, 1986	IX-1	Administration and Finance		65,800
7th February, 1986	IX-3	Community Social Services		853,200
7th February, 1986	IX-4	Child and Family Services		3,977,800
7th February, 1986	IX-5	Corrections		1,637,300
7th February, 1986	IX-6	Status of Women		9,000
CONSUMER AND CORPORATE AFFAIRS (V):				
7th February, 1986	V-3	Corporate Affairs		41,400
CO-OPERATIVE DEVELOPMENT (VI):				
7th February, 1986	VI-3	Interest Forgiveness		183,300
CULTURE, HERITAGE AND RECREATION (XIV):				
7th February, 1986	XIV-3	Communication Services		537,700
7th February, 1986	XIV-4	Telecommunications Policy		16,100
EDUCATION (XVI):				
7th February, 1986	XVI-5	Post-Secondary, Adult and Continuing Education		1,300,500
7th February, 1986	XVI-7	Bureau de L'Education Francaise		237,100
EMPLOYMENT SERVICES AND ECONOMIC SECURITY (XXXIV):				
7th February, 1986	XXXIV-2	Economic Security		14,330,000
7th February, 1986	XXXIV-4	Manitoba Bureau of Statistics		3,300
ENERGY AND MINES (XXIII):				
7th February, 1986	XXIII-3	Mineral Resources		13,500
		Carried Forward	$	38,550,600

		Brought Forward	$ 38,550,600
FINANCE (VII):			
7th February, 1986	VII–5	Federal–Provincial Relations and Research Division	70,700
7th February, 1986	VII–6	Administrative Policy/Insurance and Risk Management	448,500
7th February, 1986	VII–7	Tax Credit Payments	1,500,000
GOVERNMENT SERVICES (VIII):			
7th February, 1986	VIII–2	Property Management	7,201,400
7th February, 1986	VIII–4	Project Services	142,500
HEALTH (XXI):			
7th February, 1986	XXI–2	Community Health Programs	1,197,900
7th February, 1986	XXI–6	The Alcoholism Foundation of Manitoba	260,000
7th February, 1986	XXI–7	Manitoba Health Services Commission	29,689,800
HIGHWAYS AND TRANSPORTATION (XV):			
7th February, 1986	XV–2	Operations and Maintenance	222,000
7th February, 1986	XV–3	Planning and Design and Land Surveys	72,000
7th February, 1986	XV–6	Driver and Vehicle Licensing	1,980,100
26th March, 1986	XV–2	Operations and Maintenance	1,300,000
INDUSTRY,TRADE AND TECHNOLOGY (X):			
7th February, 1986	X–2	Industry and Trade Division	98,200
LABOUR (XI):			
7th February, 1986	XI–2	Labour	396,200
NATURAL RESOURCES (XII):			
18th December, 1985	XII–9	Wildlife	445,000
7th February, 1986	XII–2	Regional Services	960,500
7th February, 1986	XII–3	Engineering and Construction	141,400
7th February, 1986	XII–5	Parks	12,700
7th February, 1986	XII–8	Fisheries	181,800
7th February, 1986	XII–9	Wildlife	171,600
7th February, 1986	XII–10	Surveys and Mapping	86,400
NORTHERN AFFAIRS (XIX):			
7th February, 1986	XIX–1	Administration and Finance	6,800
7th February, 1986	XIX–4	Corporate Projects	92,000
FLOOD CONTROL AND EMERGENCY EXPENDITURES (XVIII):			
18th September, 1985	XVIII–1	Flood Control and Emergency Expenditures	650,000
7th February, 1986	XVIII–1	Flood Control and Emergency Expenditures	100,000
12th February, 1986	XVIII–1	Flood Control and Emergency Expenditures	300,000
			$86,278,100

EXPLANATORY COMMENTS REGARDING SPECIAL WARRANTS AS SHOWN ON THE STATEMENT OF SPECIAL WARRANTS
For the Year Ended March 31, 1986

Special Warrants amounting to $86,278,100 were issued during the year ended March 31, 1986. The more significant warrants, amounting to $78,127,200 consist of the following:

LEGISLATION	
To provide funds for the Kildonan by-election and the March/86 general election	$ 3,011,300
DEPARTMENT OF AGRICULTURE	
To provide funds for the interest rate write-down of loans under the Manitoba Agricultural Credit loan program for the 1985/86 fiscal year	6,200,000
To provide funds for the purpose of providing assistance to the Manitoba Sugar Beet Producers	2,088,000
DEPARTMENT OF BUSINESS DEVELOPMENT AND TOURISM	
To provide additional funds to cover increased grant assistance to the Manitoba Horse Racing Commission	1,672,500
DEPARTMENT OF COMMUNITY SERVICES	
To provide additional funds to cover increased grant assistance to Winnipeg Child Family Services and Child Welfare Agencies	2,640,000
To provide additional funds to cover increased expenditures under the Maintenance of Children Program	905,000
To provide additional funds to cover increased salary costs associated with the Adult Corrections Program	1,100,200
DEPARTMENT OF EDUCATION	
To provide additional funds to cover increased expenditure and grant assistance under the Post-Secondary, Adult and Continuing Education Program	1,300,500
DEPARTMENT OF EMPLOYMENT SERVICES AND ECONOMIC SECURITY	
To provide additional funds for departmental programs in the Economic Security Division covering Social Allowances, Health Services and Municipal Assistance	14,330,000
DEPARTMENT OF FINANCE	
To provide additional funds for the Cost of Living Tax Credit Program	1,500,000
DEPARTMENT OF GOVERNMENT SERVICES	
To provide funds for rental payments resulting from the sale of government-owned buildings to Manitoba Properties Inc.	7,201,400
DEPARTMENT OF HEALTH	
To provide additional funds to cover increased costs associated with the Home Care Assistance Program.	1,197,900
To provide additional funds for programs operated by the Manitoba Health Services Commission as follows: Hospital ($16,835,400), Medical Program ($8,739,500), Personal Care Home Program ($4,114,900)	29,689,800
Carried Forward	$ 72,836,600

Brought Forward	$72,836,600
DEPARTMENT OF HIGHWAYS AND TRANSPORTATION	
To provide additional funds for the Motor Vehicle Branch to cost share with Manitoba Public Insurance Corporation	1,980,100
To provide additional funds for the Highway Maintenance Program due to unanticipated winter maintenance expenditures	1,300,000
DEPARTMENT OF NATURAL RESOURCES	
To provide additional funds to meet emergency expenditures incurred as a result of fire suppression activities	960,500
DEPARTMENT OF FLOOD CONTROL AND EMERGENCY EXPENDITURES	
To provide additional funds for compensation to afflicted citizens for losses incurred by them for basement flooding and other natural disasters	1,050,000
	$78,127,200

GOVERNMENT OF THE PROVINCE OF MANITOBA
REPORT OF AMOUNTS PAID TO MEMBERS OF THE ASSEMBLY

AS REQUIRED BY
SECTION 66.3(1) AND SECTION 66.3(2) OF "THE LEGISLATIVE ASSEMBLY ACT" BEING CAP. L 110 OF THE CONTINUING CONSOLIDATION OF THE STATUTES OF MANITOBA DURING THE YEAR ENDED 31ST MARCH, 1986

MEMBER	CONSTITUENCY	INDEMNITY	EXPENSE ALLOWANCE	LIVING AND CONSTITUENCY ALLOWANCE	MEMBERS' PRINTING PRIVILEGES	SPECIAL SUPPLIES AND OPERATING ALLOWANCES	TRAVEL ALLOWANCE	PREMIER AND MINISTERS		COMMITTEE SITTINGS		OTHER PAYMENTS	
								COMPENSATION	REIMBURSEMENT OF EXPENSES	INDEMNITY	REIMBURSEMENT OF EXPENSES	COMPENSATION	REIMBURSEMENT OF EXPENSES
Adam, A. R.	Ste. Rose	$ 22,443.42	$ 11,221.71	$ 5,537.02	$ 686.09	$ 500.00*	$ 4,581.84	$ —	$ —	$ —	$ —	$ 3,417.82(3)	$ 194.35 597.64
Anstett, Hon. A. J.	Springfield	22,443.42	11,221,71	6,628.38	902.57	500.00*	—	18,111.60	3,481.31	—	—	—	—
Ashton, S.	Thompson	23,248.16	11,624.08	5,911.47	653.99	500.00*	7,076.10	—	—	—	—	2,175.34	819.85
Baker, C.	Lac du Bonnet	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Banman, R.	LaVerendrye	22,443.42	11,221.71	6,620.00	784.00	—	1,255.68	—	—	150.00	127.00	—	—
Birt, C. T.	Fort Garry	23,248.16	11,624.08	3,462.04	993.86	—	—	—	—	—	—	—	—
Blake, D.	Minnedosa	23,248.16	11,624.08	9,120.00	656.05	11,500.00* *	2,327.98	—	—	150.00	358.12	—	1,079.40
Brown, A.	Rhineland	23,248.16	11,624.08	6,620.00	—	—	1,726.56	—	—	—	—	—	—
Bucklaschuk, Hon. J.	Gimli	23,248.16	11,624.08	5,954.80	706.88	500.00*	1,613.20	18,111.60	1,995.03	—	—	—	—
Carroll, H.	Brandon West	22,443.42	11,221.71	6,920.40	—	500.00	3,193.70	—	—	—	—	—	—
Carstairs, S.	River Heights	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Connery, E.	Portage la Prairie	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Corrin, B.	Ellice	22,443.42	11,221.71	347.06	815.04	500.00*	—	—	—	—	—	2,175.34	687.27
Cowan, Hon. J.	Churchill	23,248.16	11,624.08	3,143.62	464.45	500.00*	—	18,111.60	2,015.49	—	—	—	—
Cummings, G.	Ste. Rose	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Derkach, L.	Roblin–Russell	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Desjardins, Hon. L. L.	St. Boniface	23,248.16	11,624.08	1,917.26	807.38	500.00*	—	18,111.60	3,501.01	—	—	—	—
Dodick, D.	Riel	24,856.78	11,221.71	1,278.62	841.88	500.00*	—	—	—	—	—	—	159.68
Doer, G.	Concordia	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Doern, R.	Elmwood	22,443.42	11,221.71	2,323.01	664.62	500.00	—	—	—	—	—	—	40.38
Dolin, M. B.	Kildonan	625.91	312.96	—	—	500.00*	—	—	—	—	—	—	—
Dolin, M. M.	Kildonan	11,534.66	5,767.33	306.05	—	—	—	—	—	—	—	—	—
Downey, J.	Arthur	23,248.16	11,624.08	5,358.25	721.03	—	3,593.61	—	—	—	—	—	—
Driedger, A.	Emerson	25,661.52	11,624.08	7,853.84	848.58	—	1,255.68	—	—	150.00	127.00	—	468.27
Ducharme, G.	Riel	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Enns, H.	Lakeside	25,661.52	11,624.08	4,120.00	678.71	—	—	—	—	—	—	—	—
Ernst, J.	Charleswood	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Evans, Hon. L.	Brandon East	23,248.16	11,624.08	6,039.13	789.41	500.00*	—	18,111.60	905.72	—	—	—	—
Eyler, P.	River East	25,822.38	11,221.71	2,466.06	1,137.53	500.00*	—	—	—	—	—	—	1,370.49
Filmon, Hon. G.	Tuxedo	23,248.16	11,624.08	2,495.45	784.59	—	—	—	—	—	—	18,111.60	1,018.10
Findlay, G. M.	Virden	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Fox, P.	Concordia	22,443.42	11,221.71	2,495.12	750.83	500.00*	—	—	—	100.00	—	5,504.20(1)	—
Gourlay, D.	Swan River	22,443.42	11,221.71	6,620.00	659.53	—	4,890.00	—	—	—	—	—	—
Graham, H.	Virden	22,443.42	11,221.71	7,882.11	819.06	—	5,674.83	—	—	—	—	—	99.80
Hammond, G.	Kirkfield Park	23,248.16	11,624.08	3,171.68	777.02	—	—	—	—	—	—	—	—
Harapiak, Hon. H.	The Pas	23,248.16	11,624.08	7,799.94	495.20	500.00*	539.71	18,111.60	2,131.37	—	—	—	—
Harapiak, L.	Swan River	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Harper, E.	Rupertsland	23,248.16	11,624.08	5,628.64	527.30	500.00*	12,294.06	—	—	—	—	2,175.34	1,212.03
Hemphill, Hon. M.	Logan	23,248.16	11,624.08	3,301.37	807.38	500.00*	—	18,111.60	2,107.16	—	—	—	—
Hyde, L.	Portage la Prairie	9,388.68	4,694.34	9,066.56	—	—	1,783.45	—	—	—	—	—	—
Johnston, F.	Sturgeon Creek	23,248.16	11,624.08	4,412.46	795.56	—	—	—	—	—	—	—	—
Kostyra, Hon. E.	Seven Oaks	23,248.16	11,624.08	2,500.00	808.65	500.00*	—	18,111.60	3,636.85	—	—	—	—
Kovnats, A.	Niakwa	23,248.16	11,624.08	5,000.00	958.82	—	—	—	—	—	—	—	1,016.90
Lecuyer, Hon. G.	Radisson	23,248.16	11,624.08	4,118.69	616.00	500.00*	—	18,111.60	1,569.71	—	—	—	—
Lyon, S.	Charleswood	22,443.42	11,221.71	2,701.66	943.91	—	—	—	—	—	—	—	—
Mackling, Hon. A. H.	St. James	23,248.16	11,624.08	2,500.00	880.01	500.00*	—	18,111.60	1,053.20	—	—	—	—
Malinowski, D.	St. Johns	22,443.42	11,221.71	2,483.93	722.60	500.00*	—	—	—	—	—	3,627.96(4)	479.90
Maloway, J.	Elmwood	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Manness, C.	Morris	23,248.16	11,624.08	6,438.83	576.13	—	697.60	—	—	—	—	—	—
McCrae, J.	Brandon West	804.74	402.37	—	—	—	—	—	—	—	—	—	—

McKenzie, W. J.	Roblin–Russell	22,443.42	11,221.71	5,471.76	756.70	—	—	—	—	—	—	—	—
Mercier, G.	St. Norbert	23,248.16	11,624.08	2,115.02	949.34	—	—	—	—	—	—	—	—
Mitchelson, B.	River East	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Nordman, R.	Assiniboia	23,248.16	11,624.08	1,323.82	664.35	—	—	—	—	—	—	—	—
Oleson, C.	Gladstone	23,248.16	11,624.08	6,019.51	754.48	—	1,223.76	—	—	—	—	—	1,381.10
Orchard, D.	Pembina	23,248.16	11,624.08	5,671.35	—	—	2,249.75	—	—	—	—	—	—
Pankratz, H.	La Verendrye	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Parasiuk, Hon. W.	Transcona	23,248.16	11,624.08	2,500.00	648.80	500.00*	—	18,111.60	8,409.58	—	—	—	—
Pawley, Hon. H.	Selkirk	23,248.16	11,624.08	7,380.06	657.44	500.00*	—	24,091.60	1,629.75	—	—	—	—
Penner, Hon. R.	Fort Rouge	23,248.16	11,624.08	1,867.08	1,602.61	500.00*	—	18,111.60	3,818.67	—	—	—	—
Phillips, M.	Wolseley	23,248.16	11,624.08	2,965.52	938.16	500.00*	—	—	—	150.00	—	3,900.00(2)	222.48
													216.25
Plohman, Hon. J.	Dauphin	23,248.16	11,624.08	6,113.98	886.22	500.00*	—	18,111.60	4,132.97	—	—	—	—
Ransom, A. B.	Turtle Mountain	22,443.42	11,221.71	6,494.98	684.62	—	2,999.89	—	—	—	—	—	644.38
Rocan, D.	Turtle Mountain	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Roch, G.	Springfield	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Santos, C.	Burrows	25,661.52	11,624.08	—	824.31	500.00*	—	—	—	—	—	—	321.00
Schroeder, Hon. V.	Rossmere	23,248.16	11,624.08	3,444.22	746.99	500.00*	—	18,111.60	4,293.03	—	—	—	—
Scott, D.	Inkster	23,248.16	11,624.08	4,222.50	396.60	500.00*	—	—	—	50.00	—	2,175.34	121.07
Smith, H.	Ellice	804.74	402.37	—	—	—	—	—	—	—	—	—	—
Smith, Hon. M.	Osborne	23,248.16	11,624.08	1,537.07	—	500.00*	—	18,111.60	1,722.75	—	—	—	—
Steen, W.	River Heights	22,443.42	11,221.71	3,088.22	796.83	—	—	—	—	—	—	—	—
Storie, Hon. J.	Flin Flon	23,248.16	11,624.08	1,996.18	—	500.00*	—	18,111.60	3,657.04	—	—	—	—
Uruski, Hon. B.	Interlake	23,248.16	11,624.08	5,819.63	238.04	500.00*	—	18,111.60	2,791.58	—	—	—	—
Uskiw, Hon. S.	Lac du Bonnet	22,443.42	11,221.71	6,174.47	793.84	500.00*	—	13,932.00	3,668.11	—	—	—	—
Walding, Hon. J.	St. Vital	38,211.53	11,624.08	—	839.75	500.00	—	—	—	150.00	—	—	1,074.93
Wasylycia-Leis, J.	St. Johns	804.74	402.37	—	—	—	—	—	—	—	—	—	—
		$1,328,998.56	$,650,501.40	$244,748.82	$38,253.74	$28,500.00	$58,977.40	$345,920.80	$56,520.33	$900.00	$612.12	$43,262.94	$13,225.27

Payments authorized by the "Legislative Assembly Act" relate to the fourth session of the Thirty-Second Legislature. Amounts shown for reimbursement of expenses are those amounts paid directly to the member and do not include amounts paid directly to suppliers or paid through somebody else on the member's behalf. Printing privileges, as established under Section 66.4(3) of the "Legislative Assembly Act", may be paid directly to printing companies, on behalf of a sitting member, or may be paid as reimbursement to the member.

The Special Supplies and Operating Allowance may not be paid directly to the member but to a person designated by the leader of the party as allowed under Section 66.5(1) and (2) of the "Legislative Assembly Act".

* Amounts relating to New Democratic Party members for the Special Supplies and Operating Allowance were paid directly to the New Democratic Party Caucus.

**Mr. D. Blake was the person designated to receive the Special Supplies and Operating Allowance for the Progressive Conservative Party.

(1)–(4) Remuneration received from a Crown Agency as reported to the Minister of Finance pursuant to Section 66.3 (2) of the "Legislative Assembly Act".

(1) Manitoba Hydro-Electric Board
(2) Manitoba Telephone System Board
(3) Manitoba Water Commission
(4) Manitoba Public Insurance Corporation

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF DEFERRED REVENUES

As At March 31, 1986

	Balance	Current Transactions		Balance
AGREEMENT	March 31, 1985	Advances	Claims	March 31, 1986
Fur Trapper Services	$ 89,072	$ 220,000	$ 191,326	$ 117,746
Hillridge School	156,067	–	–	156,067
Industrial Development	104,213	110,564	–	214,777
Limestone Employment and Training	–	1,778,262	–	1,778,262
Northern Development	870	7,221,000	7,221,870	–
Transportation	–	36,100	33,521	2,579
Value Added Crops	–	986,055	985,000	1,055
	$ 350,222	$ 10,351,981	$ 8,431,717	$ 2,270,486

NOTE Claims are made from the funds advanced in proportion to the expenditures made in each fiscal year.

GOVERNMENT OF THE PROVINCE OF MANITOBA

LATE ACCOUNTS

PAID DURING THE YEAR ENDED MARCH 31, 1986 IN ACCORDANCE WITH SUBSECTION 3 OF SECTION 38 OF "THE FINANCIAL ADMINISTRATION ACT" (WITH COMPARATIVE FIGURES FOR LATE ACCOUNTS PAID UP TO AUGUST 31, 1986 DURING THE YEAR ENDED MARCH 31, 1987)

		1985-86	5 MONTHS 1986-87
	LEGISLATION (I)		
4.	Other Assembly Expenditures	$ 7,026	
6.	Ombudsman	244	
7.	Electoral Office	1,068	
		$ 8,338	$ 428,524
	EXECUTIVE COUNCIL (II)		
1.	General Administration	$ 1,954	$ 658
	AGRICULTURE (III)		
1.	Administration and Finance	$ 1,260	
4.	Agricultural Development and Marketing Division	38,135	
5.	Farm and Rural Development Division	10,279	
6.	Policy and Economics Division	15	
7.	Federal – Provincial Agreements	25,180	
8.	Income Insurance Fund	3,070	
9.	Drugs and Semen Purchases	2,504	
10.	Expenditures Related to Capital	699	
		$ 81,142	$ 75,745
	ATTORNEY-GENERAL (IV)		
1.	Administration and Finance	$ 3,024	
2.	Criminal Justice	105,477	
3.	Legal Services	6,060	
4.	Law Enforcement	10,333	
5.	Court Services	53,456	
6.	Protection of Individual and Property Rights	105,312	
		$ 283,662	$ 294,007
	BUSINESS DEVELOPMENT AND TOURISM (XXXIII)		
1.	Administration	$ 4,677	
2.	Business Development	37,480	
3.	Tourism	139,913	
4.	Expenditures Related to Capital	31,205	
5.	Interest Rate Relief	14,547	
6.	Jobs Fund	832	
		$ 228,654	$ 192,896
	CIVIL SERVICE (XVII)		
1.	Civil Service Commission	$ 5,496	
2.	Civil Service Benefit Plans	4,225	
		$ 9,721	$ 13,869
	COMMUNITY SERVICES (IX)		
1.	Administration and Finance	$ 4,626	
2.	Registration and Licensing Services	4,350	
3.	Community Social Services	331,626	
4.	Child and Family Services	988,602	
5.	Corrections	44,492	
6.	Status of Women	10,440	
		$ 1,384,136	$ 1,054,009
	Carried Forward	$ 1,997,607	$ 2,059,708

		1985-86	5 MONTHS 1986-87
	Brought Forward	$ 1,997,607	$ 2,059,708
	CONSUMER AND CORPORATE AFFAIRS (V)		
1.	Administration and Finance	$ 927	
2.	Consumer Affairs	1,691	
3.	Corporate Affairs	15,931	
		$ 18,549	$ 68,913
	CO-OPERATIVE DEVELOPMENT (VI)		
1.	Administration and Finance	$ (404)	
2.	Co-operative and Credit Union Development and Regulation	6,012	
		$ 5,608	$ 5,664
	CROWN INVESTMENTS (XXII)		
1.	Crown Investments Administration	$ 909	$ 4,712
	CULTURE, HERITAGE AND RECREATION (XIV)		
1.	Administration and Finance	$ 1,058	
2.	Culture, Heritage and Recreation Programs	14,204	
3.	Communication Services	404,575	
4.	Telecommunications Policy	137	
5.	Expenditures Related to Capital	2,870	
6.	Jobs Fund	18,912	
		$ 441,756	$ 331,215
	EDUCATION (XVI)		
1.	Administration and Finance	$ 33,200	
2.	Teachers' Retirement Allowances Fund and Operational Support Services	716	
3.	Financial Support – Public Schools	550,733	
4.	Program Development Support Services	77,035	
5.	Post-Secondary, Adult and Continuing Education	335,293	
7.	Bureau De L'Education Francaise	55,046	
8.	Expenditures Related to Capital	20,976	
		$ 1,072,999	$ 734,853
	EMPLOYMENT SERVICES AND ECONOMIC SECURITY (XXXIV)		
1.	Administration and Finance	$ 2,115	
2.	Economic Security	4,179,282	
3.	Employment Services	37,127	
4.	Manitoba Bureau of Statistics	1,486	
5.	Jobs Fund	854,571	
6.	Jobs Fund – Community Assets	29,452	
		$ 5,104,033	$ 6,228,899
	ENERGY AND MINES (XXIII)		
1.	Administration and Finance	$ 2,177	
2.	Energy	35,409	
3.	Mineral Resources	15,075	
4.	Expenditures Related to Capital	11,675	
		$ 64,336	$ 403,277
	ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH (XXXI)		
1.	Administration and Finance	$ 3,307	
2.	Environmental Management	6,943	
3.	Clean Environment Commission	13	
4.	Manitoba Environmental Council	5	
5.	Workplace and Worker Services	6,682	
		$ 16,950	$ 18,139
	Carried Forward	$ 8,722,747	$ 9,855,380

	1985-86	5 MONTHS 1986-87
Brought Forward	$ 8,722,747	$ 9,855,380
FINANCE (VII)		
1. Administration and Finance	$ 1,342	
2. Treasury Division	412	
3. Comptroller's Division	13,249	
4. Taxation Division	2,051	
5. Federal–Provincial Relations and Research Division	8,908	
6. Administrative Policy/Insurance and Risk Management	4,232	
	$ 30,194	$ 974
GOVERNMENT SERVICES (VIII)		
1. Administration	$ 223	
2. Property Management	299,612	
3. Supply and Services	92,998	
4. Project Services	2,596	
5. Land Value Appraisal Commission	6	
6. Emergency Measures Organization	216	
7. Expenditures Related to Capital	204,788	
	$ 600,439	$ 335,600
HEALTH (XXI)		
1. Administration and Finance	$ 5,940	
2. Community Health Programs	353,342	
3. Community Health Operations	110,790	
4. Children's Psychiatric and Forensic Services	10,154	
5. Sport	1,332	
	$ 481,558	$ 678,305
HIGHWAYS AND TRANSPORTATION (XV)		
1. Administration and Finance	$ 2,212	
2. Operations and Maintenance	65,682	
3. Planning and Design and Land Surveys	857	
4. Engineering and Technical Services	361,438	
5. Transportation Policy and Research	56,239	
6. Driver and Vehicle Licensing	39,078	
7. Expenditures Related to Capital	249,009	
	$ 774,515	$ 1,246,405
HOUSING (XXX)		
1. General Administsration	$ 7,894	
2. Property Management and Landlord and Tenant Affairs	2,682	
3. Program Delivery	11,472	
5. Expenditures Related to Capital	31,960	
	$ 54,008	$ 8,687
INDUSTRY, TRADE AND TECHNOLOGY (X)		
1. Administration and Finance	$ 11,890	
2. Industry and Trade Division	12,998	
3. Technology Division	836	
5. Jobs Fund	111,488	
	$ 137,212	$ 108,187
LABOUR (XI)		
1. Administration and Finance	$ 6,007	
2. Labour	9,783	
	$ 15,790	$ 20,039
Carried Forward	$ 10,816,463	$ 12,253,577

		1985-86	5 MONTHS 1986-87
	Brought Forward	$10,816,463	$ 12,253,577
	MUNICIPAL AFFAIRS (XIII)		
1.	Administration and Finance	$ 1,536	
2.	Municipal Board	583	
3.	Municipal Advisory and Financial Services	6,379	
4.	Municipal Assessments	1,980	
5.	Systems Services	240	
6.	Municipal Planning Services	2,361	
7.	Provincial Planning	151	
		$ 13,230	$ 11,833
	NATURAL RESOURCES (XII)		
1.	Administration and Finance	$ 10,763	
2.	Regional Services	47,489	
3.	Engineering and Construction	1,568	
4.	Water Resources	16,821	
5.	Parks	24,177	
6.	Lands	4,302	
7.	Forestry	23,408	
8.	Fisheries	12,305	
9.	Wildlife	12,543	
10.	Surveys and Mapping	6,311	
11.	Resource Support Programs	8,669	
12.	Expenditures Related to Capital	162,178	
		$ 330,534	$ 200,264
	NORTHERN AFFAIRS (XIX)		
1.	Administration and Finance	$ 3,456	
2.	Local Government Development	2,317	
3.	Agreements Management and Co-ordination	120,388	
4.	Corporate Projects	6	
6.	Expenditures Related to Capital	41,317	
		$ 167,484	$ 108,320
	URBAN AFFAIRS (XX)		
1.	Administration and Finance	$ 303	
3.	Urban Policy Co-ordination	1,421	
4.	Agreement for Recreation and Conservation for the Red River Corridor	100	
5.	Expenditures Related to Capital	33,879	
		$ 35,703	$ 35,656
	FLOOD CONTROL AND EMERGENCY EXPENDITURES (XVIII)		
1.	Flood Control and Emergency Expenditures	$ 11,371	$ 51
		$ 11,374,785	$ 12,609,701

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF ALL REMISSIONS IN WHOLE OR IN PART IN ANY TAX, FEE, FINE, PENALTY OR FOREFEITURE MADE UNDER AUTHORITY OF SEC. 25,CAP.F55, R.S.M. 1970

for the Year Ended March 31, 1986

FINANCIAL ADMINISTRATION ACT	
B'nai B'rith Camp	$ 93
Cyr, Gerald	1,170
Fillion, Alfred J.	1,430
Hebert, Denis	216
Markusson, Albert	162
Mulligan, Marvin	942
Pickersgill, Tom	1,000
Riverside Lions Non Profit Housing Inc.	25,061
Toews, Henry M.	12
Woods, Edmund J.	1,678
	$31,764

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF THE TOTAL AMOUNT OF ALL CLAIMS, OBLIGATIONS, DEBTS OR MONIES DUE HER MAJESTY CANCELLED, DISCHARGED OR RELEASED IN WHOLE OR IN PART UNDER AUTHORITY OF SEC. 26, CAP. F55, R.S.M. 1970

for the Year Ended March 31, 1986

ATTORNEY-GENERAL:		
Accountable Advances	$ 502	
Salary Overpayment	867	
Unsatisfied Judgement Fund	3,714	
Other	7	$ 5,090
BUSINESS DEVELOPMENT AND TOURISM:		
Uncollectible Accounts – Manitoba Interest Rate Relief Program		127,413
CIVIL SERVICE COMMISSION:		
Salary Overpayment		56
EDUCATION:		
Bursaries and Loans	$ 15,692	
Special Opportunity Dental	954	
Tuition Fees	3,834	
Other	1,866	22,346
EMPLOYMENT SERVICES AND ECONOMIC SECURITY:		
Salary Overpayments	$ 313	
Social Allowance Overpayment	677	990
ENERGY AND MINES:		
Accountable Advance	$ 255	
Other	78	333
FINANCE:		
Manitoba Development Corporation	$ 49,999,999	
Canadian Co-operative Implements Limited	2,975,000	
Investment — Northlands Bank Shares	536,875	
Other	689	53,512,563
GOVERNMENT SERVICES:		
Salary Overpayment	$ 28	
Uncollectible Account — Maple Leaf International Air Show Inc.	9,424	9,452
HIGHWAYS AND TRANSPORTATION:		
Salary Overpayment	$ 330	
Other	362	692
HOUSING:		
Accountable Advance	$ 400	
Salary Overpayment	52	452
INDUSTRY, TRADE AND TECHNOLOGY:		
Uncollectible Accounts — Industrial Technology Centre		$ 12,713
LABOUR:		
The Payment of Wages Act		21,483
NORTHERN AFFAIRS:		
Accountable Advance	$ 3,900	
Uncollectible Account — Northern Development Corp.	4,312	
Uncollectible Account — Northern Flood Committee	1,372	
Other	379	9,963
Carried Forward		$ 53,723,546

Brought Forward		$ 53,723,546
RECOVERY OF AMOUNTS CANCELLED IN PREVIOUS YEARS:		
EDUCATION:		
Tuition Fees	$ 790	
Other	45	
	835	
NATURAL RESOURCES:		
Fees	180	1,015
		$ 53,722,531

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF THE TOTAL AMOUNT OF ALL CLAIMS SETTLED UNDER AUTHORITY OF SEC. 44(2), CAP. F55, R.S.M. 1984

for the Year Ended March 31, 1986

COMMUNITY SERVICES:		
Ancel, Shawn	$ 35	
LaBlanc, Mrs. Paul	3,000	$ 3,035
HEALTH:		
Intercrafts Display Company Ltd.		1,250
		$ 4,285

TRUST FUND STATEMENTS

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GOVERNMENT OF THE PROVINCE OF MANITOBA

TRUST FUND ACCOUNTING POLICIES

The Trust Fund is divided into two primary divisions, Administered Trust and Custodial Trusts. Those trusts where the Government has the responsibility for the administration and for investment of the trust are considered Administered Trusts. Those trusts where the Government responsibility is custodial in nature and there is little or no administration responsibility are considered Custodial Trusts. Generally, the responsiblity for investment of Custodial Trust is that of the depositor. A statement of Assets and Liabilities for the Trust Fund is included in the Public Accounts showing the assets and liabilities for Administered Trusts. Details of Custodial accounts are set out in a note to the statement of Assets and Liabilities.

Administered Trusts are divided into five categories:

1. Sinking Funds - This category includes sinking fund contributions deposited with the Minister of Finance by Crown Corporations, Agencies, Boards and Commissions in respect of their direct debt.
2. Funds on Deposit For Investment - Funds surplus to the immediate cash requirement of Crown Corporations, Agencies, Boards and Commissions are deposited for investment with the Minister of Finance. Although certain of these deposits are covered by specific investments in the Trust Fund, the majority of these funds are invested with the Minister of Finance and interest is paid at market rate in accordance with the term of the investment.
3. Banking Facility Accounts — These accounts are operated for those Crown Corporations, Agencies, Boards and Commissions who bank with the Minister of Finance.
4. Operating Trusts — Certain trusts are established where legislation or agreements require receipts and related expenditure to be kept separate from Government revenue and expenditure. These "designated trusts" may, in some cases, be used for programs similar to those operated from appropriated funds but are kept separate because a trust requirement has been established. A separate Statement of Receipts, Payments and Transfers is prepared for each of these operating trusts and is published in the Trust Fund section of the Public Accounts.
5. Miscellaneous Trusts — This category contains trust accounts resulting from the sundry deposit of cash and/or securities with the Government.

GOVERNMENT OF THE PROVINCE OF MANITOBA

TRUST FUND ASSETS AND LIABILITIES

As at March 31, 1986
(with Comparative Figures for March 31, 1985)

	March 31, 1986	March 31, 1985
ASSETS		
Amount Due from Operating Fund	$ 487,889,264	$ 525,858,331
Cash and Investments	569,530,791	541,661,351
Total Trust Assets	$ 1,057,420,055	$ 1,067,519,682
LIABILITIES		
Trust Fund Balances	$ 1,057,420,055	$ 1,067,519,682
Total Trust Liabilities	$ 1,057,420,055	$ 1,067,519,682
CUSTODIAL TRUST FUNDS		
Cash, Bonds and Other Securities held by the Department of Finance and Other Government Departments – as listed on page 5 – 23	$ 529,711,242	$ 457,972,427

GOVERNMENT OF THE PROVINCE OF MANITOBA

CASH AND INVESTMENTS

As at March 31, 1986
(with Comparative Figures for March 31, 1985)

	March 31, 1986	March 31, 1985
SINKING FUNDS:		
Investments held for Sinking Funds on Bonds issued by Crown Corporations, Agencies, Boards, and Commissions: (Investments shown at cost)		
Manitoba Hydro-Electric Board	$ 211,927,589	$ 214,138,528
Manitoba Telephone System	37,837,858	34,301,184
Manitoba Water Services Board	204,177	1,218,857
Manitoba Housing and Renewal Corporation	5,750,412	4,476,798
University of Manitoba	7,359,966	7,341,041
	$ 263,080,002	$ 261,476,408
FUNDS ON DEPOSIT FOR INVESTMENT:		
(Investments shown at cost)		
Manitoba Hydro-Electric Board Contingency Reserve:		
Manitoba Hydro-Electric Board Bonds	$ 1,961,535	$ 1,961,535
Manitoba Public Insurance Corporation:		
Province of Manitoba Debentures	$ 96,407,569	$ 89,574,474
Manitoba Hydro-Electric Board Bonds	21,586,018	21,586,018
Manitoba Telephone System Bonds	21,378,548	21,378,548
Hospital Debentures	50,612,683	54,692,310
Cities, Villages, Towns and Rural Municipalities	29,605,303	31,586,799
School Districts	23,724,021	17,947,477
Ontario Hydro Bonds	24,757,900	10,910,150
Government of Canada Bonds	14,825,000	14,825,000
	$ 282,897,042	$ 262,500,776
Manitoba Telephone System:		
Manitoba Telephone System – Demand Note	$ –	$ 3,500,000
Public Service Group Insurance Fund:		
Government of Canada Bonds	$ 8,419,032	$ 8,419,032
Government of Canada Treasury Bills	9,045,100	–
Ontario Hydro Bonds	476,250	476,250
	$ 17,940,382	$ 8,895,282
Local Government District Trust Account:		
Canadian National Railway Bonds	$ 507,900	$ 507,900
	$ 303,306,859	$ 277,365,493
MISCELLANEOUS TRUSTS:		
(Investments shown at cost)		
Suitors' Money Act		
Cash in Canadian Imperial Bank of Commerce, Wpg.	$ 3,143,930	$ 2,819,450
	$ 569,530,791	$ 541,661,351

GOVERNMENT OF THE PROVINCE OF MANITOBA

TRUST FUND BALANCES

As at March 31, 1986
(With Comparative Figures for March 31, 1985 and Displaying Receipts, Payments and Transfers for the Year Ended March 31, 1986)

	Balance March 31,1985	Receipts/ Transfers	Payments/ Transfers	Balance March 31,1986
SINKING FUNDS:				
Sinking Funds Contributions by Utilities and Others for own Direct Debt:				
Manitoba Hydro-Electric Board	$ 214,138,528	$ 152,826,388	$ 155,037,327	$ 211,927,589
Manitoba Telephone System	34,301,184	28,569,662	25,032,988	37,837,858
Manitoba Water Services Board	1,362,879	544,117	429,832	1,477,164
Manitoba Housing and Renewal Corporation	4,476,798	8,162,416	6,888,802	5,750,412
University of Manitoba	10,148,874	994,987	66,028	11,077,833
	$ 264,428,263	$ 191,097,570	$ 187,454,977	$ 268,070,856
FUNDS ON DEPOSIT FOR INVESTMENT:				
Churchill Forest Industries in Receivership	$ 228,636	$ –	$ –	$ 228,636
Civil Service Superannuation Fund	35,325,000	72,917,671	108,183,261	59,410
Co-operative Promotion Board	52,000	–	–	52,000
Department of Education – Post Adult Career Education	39,368	1,234,873	963,281	310,960
Department of Health – Schizophrenic Research	19,584	1,881	–	21,465
Department of Labour Employee Standards	3,084	85,674	–	88,758
Employee Charitable Donations	504,474	574,752	410,641	668,585
Leaf Rapids Town Properties Ltd.	444,876	275,515	324,968	395,423
Manitoba Beef Commission	3,000,000	27,500,000	27,000,000	3,500,000
Manitoba Centennial Corporation	422,971	888,723	1,002,921	308,773
Manitoba Centennial Foundation of the Future	11,821	1,650	–	13,471
Manitoba Data Services	3,600,000	4,300,000	3,600,000	4,300,000
Manitoba Development Corporation	11,015,865	2,680,022	4,604,033	9,091,854
Manitoba Development Corporation–Tourism Agreement	693,349	373,637	–	1,066,986
Manitoba Health Services Debenture	998,064	3,799,473	3,816,949	980,588
Manitoba Health Services – Other	1,803,652	1,932,459	1,545,328	2,190,783
Manitoba Housing and Renewal Corporation	4,088,942	36,732,587	32,402,452	8,419,077
Manitoba Housing and Renewal Corporation –Insurance Fees	89,415	70,569	–	159,984
Manitoba Hydro-Electric Board	–	446,152,449	399,152,449	47,000,000
Manitoba Hydro-Electric Board Contingency Reserve	1,961,535	158,364	158,364	1,961,535
Manitoba Lottery and Other Proceeds —				
Manitoba Lotteries Foundation	12,460,633	4,000,000	3,960,633	12,500,000
Culture, Heritage and Recreation	6,976,792	8,773,208	2,450,000	13,300,000
Fitness and Amateur Sport	1,790,128	2,722,183	–	4,512,311
Manitoba Milk Producers' Marketing Board	3,443,500	92,964,739	93,569,739	2,838,500
Manitoba Mineral Resources Ltd.	1,710,000	3,190,000	3,110,000	1,790,000
Manitoba Properties Inc.	78,087,777	135,343,125	213,430,902	–
Manitoba Public Insurance Corporation	370,881,699	187,322,728	152,582,718	405,621,709
Manitoba Research Council	63,113	762,093	–	825,206
Manitoba School for Retardates	120,000	–	–	120,000
Manitoba Telephone System	49,932,214	238,753,993	215,953,993	72,732,214
Minister of Northern Affairs re: Remote Communities	770,000	3,365,000	3,720,000	415,000
Municipal Employees' Benefit Fund	2,075,000	5,332,545	5,232,545	2,175,000
Public Service Group Insurance Fund	17,150,449	12,916,912	9,341,168	20,726,193
Carried Forward	$ 609,763,941	$1,295,126,825	$1,286,516,345	$ 618,374,421

	Balance March 31, 1985	Receipts/ Transfers	Payments/ Transfers	Balance March 31,1986
Brought Forward	$ 609,763,941	$1,295,126,825	$1,286,516,345	$ 618,374,421
Public Trustee	1,400,000	30,350,000	24,150,000	7,600,000
Rentalsman	282,703	131,934	240,586	174,051
Teachers Retirement Allowance Fund	72,850,000	89,700,000	112,700,000	49,850,000
Varsity Athletics	–	6,035	–	6,035
Welfare Administered Trust	145,000	–	30,000	115,000
Workers' Cancer Study	33,849	–	–	33,849
Workers' Compensation Board	20,696,949	91,355,738	93,388,540	18,664,147
Local Government Districts:				
Alexander	24,707	1,319	1,319	24,707
Alonsa	119,649	6,239	6,239	119,649
Armstrong	73,929	3,855	3,855	73,929
Churchill	14,591	761	761	14,591
Consol	14,254	761	761	14,254
Fisher	44,747	2,333	2,333	44,747
Grahamdale	54,164	2,891	2,891	54,164
Mountain	39,911	2,130	2,130	39,911
Piney	53,914	2,790	2,790	53,914
Reynolds	53,914	2,790	2,790	53,914
Stuartburn	14,254	761	761	14,254
	$ 705,680,476	$1,506,697,162	$1,517,052,101	$ 695,325,537
BANKING FACILITY ACCOUNTS:				
Manitoba Agricultural Credit Corporation	$ 3,278,832	$ 107,219,845	$ 108,220,560	$ 2,278,117
Manitoba Beef Commission	853,848	17,403,144	16,344,305	1,912,687
Manitoba Crop Insurance Corporation				
General	1,877,764	37,841,664	39,027,755	691,673
Hail Insurance	374,683	6,727,364	6,507,767	594,280
Reinsurance Account	1,117,874	6,273,231	5,536,981	1,854,124
Manitoba Energy Authority	1,611	1,231,833	1,224,798	8,646
Manitoba Research Council	710,557	6,495,747	6,844,636	361,668
Manitoba Text Book Bureau	3,173,470	7,295,787	7,749,741	2,719,516
Manitoba Trading Corporation	502,660	3,250	545	505,365
Manitoba Water Services Board	375,434	37,788,620	37,547,643	616,411
Minister of Municipal Affairs	876,498	4,389,536	4,297,288	968,746
	$ 13,143,231	$ 232,670,021	$ 233,302,019	$ 12,511,233
OPERATING TRUSTS:				
Law Society and Solicitors' Trust Funds	$ 1,419,322	$ 1,446,680	$ 1,419,322	$ 1,446,680
Manitoba Lotteries Foundation				
Culture, Heritage and Recreation	637,889	13,025,656	13,564,346	99,199
Amateur Sport	1,126,270	3,823,254	4,203,952	745,572
Fitness Development	121,584	254,883	289,163	87,304
Planning and Research Fund	136,049	189,301	193,700	131,650
The Mining Community Reserve	4,718,279	436,491	1,315,139	3,839,631
Veterinary Science Scholarship Fund	14,320	23,950	11,700	26,570
	$ 8,173,713	$ 19,200,215	$ 20,997,322	$ 6,376,606
MISCELLANEOUS TRUSTS:				
School Divisions Reserve Fund	$ 1,306,973	$ 155,137	$ 160,692	$ 1,301,418
Amounts Collected on Behalf of Municipalities and Local Governments re: Permits and Leases	3,063	2,210,268	2,083,823	129,508
Builders' Lien Act	3,410,667	8,775,211	8,391,033	3,794,845
Communities Economic Development Fund	–	400,000	200,000	200,000
Consumer Protection Act	145,497	41,955	60,219	127,233
Contractual Holdbacks	359,338	695,736	785,097	269,977
Suitors' Money Act	2,819,450	4,623,792	4,299,312	3,143,930
Crown Land Sales	3,080	–	–	3,080
Dealers Bond	6,770	13,841	20,338	273
Fire Prevention Fund	1,663,230	2,551,630	2,488,489	1,726,371
Government of Canada Land Sale	78,041	–	–	78,041
Guarantee Deposits	1,119,293	998,922	765,781	1,352,434
Carried Forward	$ 10,915,402	$ 20,466,492	$ 19,254,784	$ 12,127,110

	Balance March 31, 1985	Receipts/ Transfers	Payments/ Transfers	Balance March 31,1986
Brought Forward	$ 10,915,402	$ 20,466,492	$ 19,254,784	$ 12,127,110
Highway Traffic Act	8,800	4,250	4,800	8,250
Land Titles Assurance Fund	177,391	48,959	124,315	102,035
Manitoba Centennial Centre re: Centennial Complex	113,450	–	113,450	–
Manitoba Health Research Council	65,180	–	65,180	–
Manitoba Health Services Commission	43,028,050	51,352,000	53,528,050	40,852,000
Manitoba Hog Producers' Marketing Board	7,242,150	10,917,378	10,912,255	7,247,273
Manitoba Hydro Provincial Sales Tax Rebate – Indian Bands	29,845	–	–	29,845
Manitoba Jobs Fund	10,029,227	1,098,206	2,694,703	8,432,730
Manitoba Oil and Gas Corporation	3,450,000	5,000,000	3,550,000	4,900,000
Manitoba Public Insurance Corporation	366,686	237,986,577	237,671,289	681,974
Mortgage Insurance Fund	112,572	57,897	87,951	82,518
Red River Community College Student Union Building	–	120,000	–	120,000
Student Athletic Fees	40,784	140,926	181,710	–
Other	514,462	2,280,326	2,242,700	552,088
	$ 76,093,999	$ 329,473,011	$ 330,431,187	$ 75,135,823
	$1,067,519,682	$2,279,137,979	$2,289,237,606	$1,057,420,055

GOVERNMENT OF THE PROVINCE OF MANITOBA

LAW SOCIETY AND SOLICITORS' TRUST FUNDS
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1986

Balance March 31, 1985		$1,419,322
RECEIPTS:		
Remittances from Solicitors		1,446,680
		$2,866,002
PAYMENTS:		
Transfer to Revenue	$1,064,492	
Law Society of Manitoba – Educational Programs	354,830	1,419,322
Balance in Trust March 31, 1986		$1,446,680

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – CULTURE, HERITAGE AND RECREATION STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1986
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1985			$ 637,889
RECEIPTS:			
Manitoba Lotteries Foundation		$ 11,210,748	
Interest (Note 1)		864,908	
Withdrawals from Investment Account		950,000	13,025,656
			$ 13,663,545
PAYMENTS:			
Grants Administration:			
Manitoba Centennial Centre Corporation	$ 1,201,900		
Manitoba Museum of Man and Nature – Touch The Universe Gallery	70,000		
Arts Accommodation Projects	30,500		
Coordination Assistance Program	13,672		
Bus Concert Series Grants	1,099		
Equipment Grants – Remote Communities	41,664		
Culture, Heritage and Recreation Capital Facility Grants	1,043,680		
Cultural Agreements	25,168		
Skills Transfer Grants	55,321		
Public Events Sponsorship Grants	149,604		
Concerts in the North	37,288		
Winnipeg Area Projects	88,364		
Hospitality Grants	11,994		
Special Projects	138,647		
Local Histories Grants	2,871		
Artwork Acquisition	5,660		
Program Administration	52,208	$ 2,969,640	
Cultural Resources:			
Culture, Heritage and Recreation Awards Program	$ 27,201		
Arts Education Services	11,589		
Arts Education Project	9,472		
Cultural Council Grants	148,240		
Associated Manitoba Arts Festivals	57,600		
Manitoba Association of Community Arts Councils	15,000		
Manitoba Instrumental Music Association	7,000		
Manitoba Choral Association	20,000		
Men's Music Club	11,000		
Canadian Authors Association	5,700		
Tiger Hills Arts Incentive	3,000		
Summer Festival Events	56,258		
Tour Hosting Network	4,500		
Touring Workshop Projects	8,417		
Canadian Conference of the Arts	2,000		
Jeux Canada Games '85	9,334		
International Youth Year – Summer Talent Search	129,860		
National Multicultural Theatre Festival	25,000		
Ethnocultural Grants	505,374		
Ethnocultural Capital Grants	50,000		
Linguistic Support Grants	122,600		
Folklorama Heritage Display Grants	4,341		
Multicultural Conference – Federal/Provincial	5,306		
Encyclopedia of Ukraine	75,000		
Carried Forward	$ 1,313,792	$ 2,969,640	$ 13,663,345

Brought Forward		$ 1,313,792	$ 2,969,640	$ 13,663,345
Manitoba Society of Artists		1,500		
Festival Theatre Jeunesse		10,000		
Mime Festival		25,000		
Canadian Festival of Modern Dance		10,000		
Canadian Popular Theatre Alliance		25,000		
Comite du Centenaire Louis Riel		20,000		
Manitoba Metis Federation – Louis Riel		25,000		
Ballet in the Park		10,000		
Canadian Music Competition Festival		10,000		
Women's Cultural Festival		22,000		
Holiday Strings Quartet		2,100		
Cultural Centres Establishment Pilot		109,550		
Arts Schools		97,609		
Wasagaming Summer Arts		5,500		
Women and the Arts		15,000		
Winnipeg Folk Festival – Deficit Reduction		35,000		
Winnipeg International Children's Festival		80,000		
Winnipeg International Children's Festival – Deficit Reduction		40,000		
Ukrainian Cultural and Educational Centre – Special Study		15,000		
Ukrainian Cultural and Educational Centre – Deficit Reduction		25,000		
Manitoba Artists for Women's Art		5,750		
Prairie Theatre Exchange – Facility Grant		35,000	1,937,801	
Recreation Branch:				
Birds Hill Day Camp		$ 32,760		
Facilities Development		18,221		
Recreation for Special Populations		18,515		
Resource Development		81,006		
Volunteer Board Development Training		45,858	196,360	
Public Library Services:				
Rural Library Capital Grants		$ 74,335		
Special Materials Support		17,517	91,852	
Historic Resources Branch:				
Administration				
Historic Sites Advisory Board	$ 9,273			
Public Education	32,286			
Association of Manitoba Museums	30,000			
Selkirk Marine Museum	38,200			
Jewish Historical Society	10,100			
Manitoba Genealogical Society	15,000			
Manitoba Heritage Federation	35,000	$ 169,859		
Archaeology				
Manitoba Archaeological Inventory	$ 27,578			
Excavations	131,567			
Archaeological Publications	15,395			
Heritage Site Inventory	9,959			
Manitoba Archaeological Society	15,000			
Association of Manitoba Archaeologists	3,000	202,499		
Architectural History				
Architectural History Publications	$ 15,224			
Field Services – Restoration	21,142			
Heritage Buildings	6,960			
Ukrainian Church Study	20,000			
Trappist Monastery	65,300	128,626		
Carried Forward		$ 500,984	$ 5,195,653	$ 13,663,345

Brought Forward		$ 500,984	$ 5,195,653	$ 13,663,345
History				
Thematic Overview of Manitoba History	$ 3,000			
Thematic Studies	10,094			
History Publications	2,722			
Plaques and Brochures	53,456			
City of St. Boniface History Book	10,000			
Native History of Manitoba	40,000	119,272	620,256	
Regional Services:				
Core Area Activities		$ 40,000		
Summer Activities		50,102		
Northern Water Safety		74,093		
Northern Manitoba Recreation Association		10,000		
Frontier School Division Games		29,000		
Community School Incentive Grants		4,500	207,695	
Provincial Archives:				
Summer Talent Search – Youth Oral History Project			13,769	
Cultural Industries Development:				
Cultural Industries Support				
Research		$ 98,581		
Grants		41,876	140,457	
Communication and Information:				
Heritage Awareness Program			78,308	
Telecommunications Policy:				
Native Communications Inc.			35,000	6,291,138
				$ 7,372,407
Funds Transferred to Investment Account (Note 2)				$ 7,273,208
Balance in Trust, March 31, 1986				$ 99,199

NOTE 1: Interest received during the year represents interest earned from Funds on Deposit for Investment with the Department of Finance.

NOTE 2: The amount held in Funds on Deposit for Investment on behalf of the Culture, Heritage and Recreation Fund at March 31, 1986 was $13,300,000.

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – AMATEUR SPORT STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1986
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1985			$1,126,270
RECEIPTS:			
Manitoba Lotteries Foundation			3,823,254
			$4,949,524
PAYMENTS:			
Amateur Sport Grants:			
Coaches and Officials – National Coaching Certification Program	$ 24,197		
Inter-Provincial Games	149,990		
Hosting Special Events	7,460		
Manitoba Athletic Therapy Association	25,000		
Manitoba Games	274,994		
Manitoba High School Athletic Association	30,000		
Man-Plan Athlete Aid	199,076		
Man-Plan Coaches and Officials Aid	25,000		
Provincial Championship	100,000		
Provincial Team Development	169,974		
Regional and National Training Centres	50,000		
Regional Sport Development	300,000		
Special Agencies	60,000		
Sports Special Projects	125,000		
Sport Development Grants	109,800		
Sport Medicine Council	13,283		
University Athletic Scholarships	100,000	$1,763,774	
Amateur Sport Programs:			
Coaching Certification	$129,412		
Manitoba Games Development – Administration	72,092		
Regional Sport Development – Administration	33,330		
Sports Awards	5,344	240,178	2,003,952
			$2,945,572
Funds transferred to Investment Account (Note 1)			2,200,000
Balance in Trust March 31, 1986			$ 745,572

NOTE 1: The amounts held in Funds on Deposit for Investment on behalf of the Amateur Sport Fund at March 31, 1986 was as follows:

Amateur Sport Fund	$4,049,862
Fitness Development Fund	312,449
Planning and Research Fund	150,000
	$4,512,311

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – FITNESS DEVELOPMENT STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1986
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1985		$121,584
RECEIPTS:		
Manitoba Lotteries Foundation		254,883
		$ 376,467
PAYMENTS:		
Corporate Challenge	$14,797	
Fitness Awareness and Education	27,252	
Fitness Development	4,629	
Fitness Leadership Development	40,633	
Fitness for Seniors	1,852	89,163
		$ 287,304
Funds Transferred to Investment Account (Note 1)		200,000
Balance in Trust March 31, 1986		$ 87,304

NOTE 1: The amount held in Funds on Deposit for Investment on behalf of the Fitness Development Fund at March 31, 1986 was as follows:

Amateur Sport Fund	$4,049,862
Fitness Development Fund	312,449
Planning and Research Fund	150,000
	$4,512,311

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – PLANNING AND RESEARCH FUND
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1986
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1985		$136,049
RECEIPTS:		
Manitoba Lotteries Foundation		189,301
		$325,350
PAYMENTS:		
Discretionary Grants	$30,000	
Professional Services	13,000	
Other	700	43,700
		$281,650
Funds Transferred to Investment Account (Note 1)		150,000
Balance in Trust March 31, 1986		$131,650

NOTE 1: The amount held in Funds on Deposit for Investment on behalf of the Planning and Research Fund at March 31, 1986 was as follows:

Amateur Sport Fund	$4,049,862
Fitness Development Fund	312,449
Planning and Research Fund	150,000
	$4,512,311

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MINING COMMUNITY RESERVE
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1986

Balance March 31, 1985			$4,718,279
RECEIPTS:			
Interest Received during the year			436,491
			$5,154,770
PAYMENTS:			
Community of Wabowden			
Manitoba Housing and Renewal Corporation	$35,385		
Manitoba Water Services Board	14,754	$ 50,139	
Local Government District of Lynn Lake			
Economic Development and Planning Officer Salary and Expenses	$12,500		
Consultant Fees re Needs Assessment Study	15,000	27,500	
Interest costs re loans made to Sherrit Gordon Mines through the Manitoba Development Corporation		1,237,500	1,315,139
Balance in Trust March 31, 1986			$3,839,631

GOVERNMENT OF THE PROVINCE OF MANITOBA

VETERINARY SCIENCE SCHOLARSHIP FUND
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1986

Balance March 31, 1985		$14,320
RECEIPTS:		
Department of Agriculture – Veterinary Services Branch	$18,000	
Repayment of Bursaries	5,950	23,950
		$38,270
PAYMENTS:		
Payment of Bursaries awarded under the Veterinary Science Scholarship Act		11,700
Balance in Trust March 31, 1986		$26,570

GOVERNMENT OF THE PROVINCE OF MANITOBA

DEPARTMENT OF MUNICIPAL AFFAIRS
MINISTER'S TRUST ACCOUNT
REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A and B, of the Department of Municipal Affairs, Minister's Trust Account for the fiscal year ended March 31, 1986. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Minister's Trust Account as at March 31, 1986 and its receipts and disbursements for the year then ended in accordance with the accounting policy stated in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

F. H. Jackson, C.A.,
Provincial Auditor.

May 2, 1986,
Winnipeg, Manitoba.

Exhibit A

GOVERNMENT OF THE PROVINCE OF MANITOBA

DEPARTMENT OF MUNICIPAL AFFAIRS
MINISTER'S TRUST ACCOUNT

Balance Sheet as at March 31, 1986
(with 1985 figures for comparison)

	1986	1985
ASSETS		
Cash on deposit with the Minister of Finance	$968,746	$876,498
LIABILITIES AND SURPLUS		
Levy accounts:		
Administration — Local Government Districts	$ 33,181	$ 59,565
Municipal assessment	705,203	620,122
Municipal guarantee bond premiums	(1,154)	1,346
	737,230	681,033
Surplus	231,516	195,465
	$968,746	$876,498

Exhibit B

GOVERNMENT OF THE PROVINCE OF MANITOBA

DEPARTMENT OF MUNICIPAL AFFAIRS MINISTER'S TRUST ACCOUNT

Statement of Receipts and Disbursements for the year ended March 31, 1986 (with 1985 figures for comparison)

RECEIPTS	1986	1985
Levies:		
Local Government Districts:		
Administration	$ 375,300	$ 396,200
Welfare purposes	188,734	186,025
	564,034	582,225
Municipal corporations, including Local Government Districts:		
Municipal assessment	3,780,451	3,618,490
Guarantee bond premiums	9,000	9,000
	3,789,451	3,627,490
Total levies	4,353,485	4,209,715
Interest income, net	36,051	14,951
Total receipts	4,389,536	4,224,666
Cash on deposit with the Minister of Finance, beginning of year	876,498	789,675
	$5,266,034	$5,014,341
DISBURSEMENTS		
Government of the Province of Manitoba:		
Administration — Local Government Districts	$ 401,684	$ 374,384
Welfare purposes — Local Government Districts	188,734	186,025
Municipal assessment	3,695,370	3,568,234
	4,285,788	4,128,643
Municipal guarantee bond premiums	11,500	9,200
Total disbursements	4,297,288	4,137,843
Cash on deposit with the Minister of Finance, end of year	968,746	876,498
	$5,266,034	$5,014,341

GOVERNMENT OF THE PROVINCE OF MANITOBA

DEPARTMENT OF MUNICIPAL AFFAIRS MINISTER'S TRUST ACCOUNT

Notes to the Financial Statements for the year ended March 31, 1986

1. Authority and Operation:

   The Department of Municipal Affairs, Minister's Trust Account was established in accordance with provisions of The Municipal Affairs Administration Act. It provides a facility for the levying and collection of charges to recover expenditures for services performed by the Department on behalf of municipal corporations in the Province.

2. Accounting Policy:

   The Trust Account operates on the cash basis of accounting.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SCHOOL DIVISIONS RESERVE FUND

As at March 31, 1986
(in compliance with Section 205(1), Public Schools Act)

School Divisions or Districts	Number	Amount
Agassiz	13	$ 64,240
Antler River	43	132,870
Birdtail River	38	92,505
Boundary	16	200,665
Churchill	2264	29,024
Davis Point	1872	20
Duck Mountain	34	12,579
Evergreen	22	23,100
Fort La Bosse	41	33,409
Frontier	48	155,130
Gypsumville Consolidated	2461	62,466

School Divisions or Districts	Number	Amount
Intermountain	36	$ 26,862
Karpaty	1751	158
Lord Selkirk	11	143,509
Midland	25	58,629
Pelly Trail	37	38,362
Pine Creek	30	16,442
Rolling River	39	60,025
Sprague	2439	30,636
Swan Valley	35	30,807
Turtle Mountain	44	49,573
Turtle River	32	40,407
		$1,301,418

GOVERNMENT OF THE PROVINCE OF MANITOBA

CUSTODIAL TRUST FUNDS HELD BY THE DEPARTMENT OF FINANCE AND OTHER GOVERNMENT DEPARTMENTS

As at March 31, 1986

	Cash On Hand	Cash In Bank	Bonds and Other Securities	Total
FINANCE:				
Attorney-General	$ –	$ –	$ 1,030	$ 1,030
Civil Service Superannuation Board	–	–	336,843,687	336,843,687
Consumer and Corporate Affairs	–	–	962,200	962,200
Co-operative Promotion Board	–	–	131,000	131,000
Energy and Mines	–	–	1,609,800	1,609,800
Finance	–	–	626,906	626,906
Health	–	–	23,411	23,411
Highways and Transportation	–	–	55,000	55,000
Manitoba Hospital Capital Financing Authority	–	–	4,645,500	4,645,500
Natural Resources	–	–	246,886	246,886
The Public Trustee	–	–	62,177,360	62,177,360
Worker's Compensation Board	–	–	117,304,157	117,304,157
OTHER GOVERNMENT DEPARTMENTS:				
Agriculture	120	5,006	–	5,126
Attorney-General	–	1,835,915	1,609,420	3,445,335
Community Services	31,505	154,401	15,000	200,906
Education	8,036	82,200	40,000	130,236
Health	1,810	497,327	161,157	660,294
Housing	–	84,441	–	84,441
Labour	–	114,379	–	114,379
Natural Resources	50	71,637	–	71,687
Northern Affairs	15,106	356,795	–	371,901
	$ 56,627	$ 3,202,101	$ 526,452,514	$ 529,711,242

NOTE: In addition to the above Custodial Trust Funds, the Department of Finance also holds shares for various Departments, Agencies, Boards and Commissions.

OTHER

FUNDS

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THE MANITOBA TEXT BOOK BUREAU
REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A and B, of The Manitoba Text Book Bureau for the fiscal year ended March 31, 1986. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of The Manitoba Text Book Bureau as at March 31, 1986 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

F. H. Jackson, C.A.,
Provincial Auditor.

September 19, 1986,
Winnipeg, Manitoba.

Exhibit A

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MANITOBA TEXT BOOK BUREAU

Balance Sheet as at March 31, 1986
(with 1985 figures for comparison)

ASSETS	1986	1985
Current assets:		
Cash on hand	$ 2,492	$ 1,428
Cash on deposit with Minister of Finance	2,719,516	3,173,470
Accounts receivable	416,966	150,667
Inventory of merchandise at cost less provision for obsolescence	1,404,003	1,022,889
Prepaid expenses	26,156	32,515
	$4,569,133	$4,380,969
LIABILITIES		
Current liabilities:		
Accounts payable	$ 33,724	$ 12,525
Customers' deposit accounts	4,908	11,824
Accrued liabilities	7,800	7,750
	46,432	32,099
Advance for working capital from the Government of the Province of Manitoba	4,000,000	4,000,000
Funds held for working capital:		
Balance, beginning of year	348,870	209,207
Net income for the year, Exhibit B	173,831	139,663
Balance, end of year	522,701	348,870
	$4,569,133	$4,380,969

Exhibit B

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MANITOBA TEXT BOOK BUREAU

Income Statement
for the year ended March 31, 1986
(with 1985 figures for comparison)

	1986	1985
Sales	$6,460,242	$6,205,836
Cost of goods sold:		
Inventory, beginning of year	1,022,889	1,265,169
Purchases (net of subsidy received, 1986 — nil 1985 — $20,325) (note 2)	6,008,871	5,184,049
Transportation in	29,496	28,601
	7,061,256	6,477,819
Inventory, end of year	1,404,003	1,022,889
Cost of goods sold	5,657,253	5,454,930
Gross profit on sales	802,989	750,906
General and administrative expenses:		
Audit	7,900	7,800
Computer equipment	16,961	11,615
Health and post secondary education tax levy	6,913	6,911
Office	42,665	37,405
Postage	31,886	33,038
Salaries	474,329	460,743
Telephone	5,438	4,515
Transportation out	33,699	33,184
Travel	4,013	4,713
Warehouse	5,354	11,319
Total expenses	629,158	611,243
Net income for the year, Exhibit A	$ 173,831	$ 139,663

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MANITOBA TEXT BOOK BUREAU

Notes to Financial Statements
for the year ended March 31, 1986

1. **Accounting Policies**

   a) The Bureau's financial statements are prepared on an accrual basis, except for capital acquisitions which are reflected as expenses in the year of acquisition.

   b) Inventory is valued at the average cost of acquisition with a provision for obsolescence being made for books in declining demand.

   c) Interest, property costs and employee benefits including pension costs are paid out of other appropriations of the Government of the Province of Manitoba and are not reflected in these financial statements.

2. **Textbook Subsidy**

   The Department of Education previously provided a subsidy to the Bureau for certain textbooks which allowed the Bureau to sell those textbooks to school divisions at a lower price to the extent of the subsidy. This subsidy ceased as at March 31, 1985.

3. **Grant Payments**

   For accountability purposes, the Bureau processes Department of Education grant payments to certain school divisions covering instructional materials amounting to $1,030,613 (1985 — $1,428,078). These transactions are not included in the financial statements. The Bureau does not charge for this service.

4. **Outstanding Commitments**

   Commitments on orders placed prior to March 31, 1986 for merchandise to be delivered subsequent to that date, were estimated at $2,426,000 ($2,300,000 as at March 31, 1985).

THE NORTHERN AFFAIRS FUND
REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A to E, of The Northern Affairs Fund for the fiscal year ended March 31, 1986. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1986 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

F. H. Jackson, C.A.,
Provincial Auditor.

May 23, 1986,
Winnipeg, Manitoba.

Exhibit A

THE NORTHERN AFFAIRS FUND
BALANCE SHEET
As at March 31, 1986
(with 1985 figures for comparison)

ASSETS
SPECIFIC PURPOSE FUNDS ACCOUNT

	1986	1985
Cash in bank and in term deposits	$ 960,434	$739,045
Account receivable — Government of the Province of Manitoba	572,944	226,320
	$1,533,378	$965,365

TAXATION ACCOUNT

	1986	1985
Cash in bank and in term deposits	$ 237,776	$286,755
Accounts receivable:		
Government of the Province of Manitoba	32,691	47,440
Community Councils and Committees	–	803
Grants in lieu of taxes:		
Government of the Province of Manitoba	3,928	4,448
Government of Canada	27,957	44,703
Government of Canada agencies	142	48
	64,718	97,442
Tax assets:		
Taxes on the rolls	507,173	440,678
Tax sale certificates	14,434	12,494
	521,607	453,172
	$ 824,101	$837,369

LIABILITIES
SPECIFIC PURPOSE FUNDS ACCOUNT

	1986	1985
Outstanding cheques	$ 432,551	$476,748
Unexpended Specific Purpose Funds, Exhibit B	1,100,827	488,617
	$1,533,378	$965,365

TAXATION ACCOUNT

	1986	1985
Outstanding cheques	$ 1,104	$ 4,961
Due to the Government of the Province of Manitoba (Note 4)	136,672	181,794
Accounts payable	1,031	215
Taxes distributable	–	15,774
Funds held in trust	274	741
Allowance for tax assets, Exhibit D	399,192	167,784
Surplus, Exhibit E	285,828	466,100
	$ 824,101	$837,369

Exhibit B

THE NORTHERN AFFAIRS FUND

SPECIFIC PURPOSE FUNDS ACCOUNT

Statement of Transactions
for the year ended March 31, 1986

	Balance March 31, 1985	Current Transactions Receipts	Current Transactions Payments	Balance March 31, 1986
Department of Northern Affairs				
— Accountable Advances	$ –	$ 31,375	$ 31,375	$ –
— Departmental Revenues, Transfer Payments	7,368	591,506	598,874	–
— General	102,157	76,651	2,390	176,418
Community Council Funds	158,193	6,273,363	5,782,852	648,704
Cottage Subdivision Funds	12,671	72,839	40,657	44,853
Northern Community Assets Program	210,017	3,400,120	3,380,349	229,788
Department of Municipal Affairs				
— Provincial-Municipal Tax Sharing Payments	–	1,103,580	1,103,580	–
Manitoba Health Services Commission				
— Ambulance Grant	(1,789)	25,550	22,697	1,064
Department of Employment Services and Economic Security				
— Youth Corps Project	–	247,066	247,066	–
— Career Start	–	7,090	7,090	–
		$11,829,140	$11,216,930	
Unexpended Specific Purpose Funds, Exhibit A	$488,617			$1,100,827

Exhibit C

THE NORTHERN AFFAIRS FUND

TAXATION ACCOUNT

Statement of Revenue and Expenditure for the year ended March 31, 1986 (with 1985 figures for comparison)

	1986	1985
Revenue:		
Taxation levies	$ 815,086	$ 670,430
Grants in lieu of taxes (Note 5)	605,219	495,927
Taxes added	29,187	16,368
Grants in lieu of taxes added (Note 5)	9,027	9,807
Tax penalties	49,063	47,312
Rentals — hay and grazing leases	63,357	76,661
Interest	23,091	40,114
Other	794	64
	1,594,824	1,356,683
Expenditure:		
Schools — The Public Schools Finance Board — support to education	814,840	628,604
— special levy	321,338	294,260
Community Councils for local services	158,030	194,948
	1,294,208	1,117,812
Taxation account administration:		
Department of Municipal Affairs service charge	38,066	29,981
Other	10,127	2,080
	1,342,401	1,149,873
Revenue over expenditure before allowance for tax assets	252,423	206,810
Tranfer of budgeted levy to allowance for tax assets, Exhibit D	151,159	112,874
Revenue over expenditure, Exhibit E	$ 101,264	$ 93,936

Exhibit D

THE NORTHERN AFFAIRS FUND

TAXATION ACCOUNT

Statement of Allowance for Tax Assets
for the year ended March 31, 1986
(with 1985 figures for comparison)

	1986	1985
Balance, beginning of year	$167,784	$116,025
Add:		
Budgeted levy for allowance for tax assets, Exhibit C	151,159	112,874
Transfer from surplus, Exhibit E	152,414	—
	303,573	112,874
Deduct:		
Taxes and grants in lieu of taxes cancelled	72,165	61,115
Balance, end of year, Exhibit A	$399,192	$167,784

Exhibit E

THE NORTHERN AFFAIRS FUND

TAXATION ACCOUNT

Statement of Surplus
for the year ended March 31, 1986
(with 1985 figures for comparison)

	1986	1985
Balance, beginning of year	$466,100	$555,013
Add:		
Revenue over expenditure, Exhibit C	101,264	93,936
Adjustment of prior year's operations, (net)	10,214	—
	111,478	93,936
Deduct:		
Transfer to the Government of the Province of Manitoba (Note 4)	136,672	181,794
Transfer to allowance for tax assets, Exhibit D	152,414	—
Tax titles pertaining to Crown Lands	2,664	1,055
	291,750	182,849
Balance, end of year, Exhibit A	$285,828	$466,100

THE NORTHERN AFFAIRS FUND

Notes to Financial Statements
for the year ended March 31, 1986

1. The Fund carries out the following programs:

   i) It operates the Specific Purpose Funds Account to provide financial services to Community Councils in Northern Areas of Manitoba governed by the Northern Affairs Act;

   ii) It levies property and business taxes based on real property assessments and remits the tax requirements to School Divisions and The Public Schools Finance Board. Taxes collected for local purposes in the communities are remitted to the Community Councils when collected;

   and the Fund accounts for each of these programs separately.

2. The significant accounting policies of the Fund are as follows:

   a) Specific Purpose Funds Account

   The Specific Purpose Funds Account operates on the cash basis of accounting except for receivables from the Government of the Province of Manitoba which are recorded as receipts in the current year if paid by the Government of the Province of Manitoba out of an appropriation for the current year.

   b) Taxation Account

   The Taxation Account operates on the accrual basis of accounting and, in accordance with procedures followed by municipal entities in the Province, recognizes taxation revenue and expenditure on the calendar year basis.

3. Administration costs of operating the Fund are paid out of appropriations of the Department of Northern Affairs and are not reflected in the Fund's financial statements.

4. A working capital fund of $100,000 is maintained in the Taxation Account to cover current needs. Amounts in excess of $100,000 are transferred to the Government of the Province of Manitoba as a contribution to costs incurred by the Province to provide services in remote areas which do not have a local government to provide these services.

5. Grants in lieu of taxes and grants in lieu of taxes added were derived from the following sources:

	1986	1985
Government of the Province of Manitoba . . .	$121,631	$ 91,972
Government of the Province of Manitoba agencies . . .	271,363	219,957
Government of Canada . . .	69,732	57,072
Government of Canada agencies . . .	151,520	136,733
	$614,246	$505,734

6. The 1985 comparative figures have been restated where necessary to conform to the presentation adopted in 1986.